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WENTWORTH REGION REVIEW COMMISSION

Final Report

Management Research Study



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February 10, 1978

The Hamilton-Wentworth Region
Review Commission
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20 Hughson Street South
Hamilton, Ontario
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Gentlemen:

We respectfully submit our report on management within the Regional Municipality of Hamilton-Wentworth and the area municipalities of Hamilton, Stoney Creek, Glanbrook, Flamborough, Dundas and Ancaster.


We approached this study objectively and with no bias. In that respect we had nothing to defend, nor did we have any preconceptions; we have maintained this objectivity throughout the study. Our primary role was to evaluate the management of the Region and the area municipalities and in that evaluation we have considered a number of important factors. These are:

1. Regional government has been in effect for four years and on that basis we did not look for high degree of sophistication in the management reporting and administrative systems that one would normally seek out in a long established organization. We therefore looked more at the attention that management of the Regional government level is giving, or is able to give, to the continuing development and implementation of improvements. The transition to Regional government has placed a large number of demands on appointed officers within the Region and their ability to distribute available time

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among activities ranging from day-to-day responses to current demands, to short and long range planning was considered in our assessment.

2. The population of the area municipalities ranges from approximately 10,000 in Glanbrook to 313,000 in the City of Hamilton. In our assessment we considered the degree of sophistication required for each population base and did not look for, nor did we expect to find, consistency in expertise, background and qualifications among appointed officers in each municipality. We would expect a higher level of management, in terms of expertise and capabilities in a large urban community than in a small rural community. We have considered this in our evaluation of the area municipalities.
3. In our assessment of the Region and the area municipalities we endeavoured to formulate a relationship between the calibre of management and the political influence (or interference) in the day-to-day management of the municipalities. For example, where a municipality is able to recruit and pay for a high level competent management, we would expect more authority to be delegated to that management. In contrast, one might expect more political involvement in administration of the smaller communities.
4. Regional government in the Hamilton-Wentworth area has been the target of much criticism since its inception in 1974. In our review, we attempted to determine whether the controversy over Regional government has had a positive or a negative effect on the management of the Region.
5. We considered the management resources available to the Region and the area municipalities and whether or not these resources were freely available to the total regional community.
6. We considered the natural resistance of people to change, particularly when change comes about by imposition.
7. Finally, we considered the identity and the autonomy issue, particularly in the outlying municipalities.

Another issue that unexpectedly appeared in our review was the effect of the current economy and its impact on programs for productivity improvement and cost reduction. We saw some evidence of a reluctance to eliminate positions for compassionate reasons and we recognize the difficulties some appointed officers and elected representatives may have in tackling this issue, particularly during a period of high unemployment.

Looking at the Region of Hamilton-Wentworth as a whole, we witnessed a very complex and fragmented organization. In the private sector such a structure would be unworkable and lead to inefficiencies within the "total corporate body". The Hamilton-Wentworth "community" appears to want to maintain its identity and autonomy, but, on the other hand, fails to recognize or is unwilling to pay the price for this privilege. During our review of management within the Region, we met a number of highly competent appointed officers, as well as a number of less competent people. We found that the Regional community as a whole has a very competent resource base, but did not find any evidence that this strong base is being used to its potential. Furthermore, we found little or no suggestion either from the Regional Municipality of Hamilton-Wentworth or the area municipalities that a strong central management resource base is being developed and used on an inter-municipal basis. The question arises whether the Regional community can share resources, standardize administrative systems, develop common goals, etc., and still retain the individuality and identity that appears to be desirable among the area municipalities. We believe that this is possible through a change in attitude towards the broad concept of regionalization.

We are pleased to have had this opportunity to assist the Hamilton-Wentworth Region Review Commission and are available to discuss the contents of our report with you.

Yours very truly,

Woods, Gordon & Co.

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GENERAL SUMMARY OF FINDINGS

The Regional Municipality of Hamilton-Wentworth and the area municipalities are managed by three distinct types of organization structure. The Regional Municipality of Hamilton-Wentworth and the Towns of Stoney Creek, Ancaster and Dundas operate under the chief administrative officer concept. While the position title is different among these governments, the basic purpose and role associated with the position is similar.

The City of Hamilton operates under the "board of control" concept, while the Townships of Glanbrook and Flamborough do not operate with any position or body of authority between Council and appointed officers.

Our review of management within the Hamilton-Wentworth area showed that with the exception of the Town of Dundas, the municipalities that are structured under the chief administrative officer concept are the best managed. This raises the question whether the chief administrative officer concept should be used in all of the area municipalities. There are obviously arguments for and against this concept.

If we were to give an overall rating of management effectiveness to the Region and area municipalities, we would have to rate the Town of Stoney Creek first, followed closely by the Regional Municipality of Hamilton-Wentworth. In both cases the persons holding the chief administrative officer position are regarded by us as being highly competent, knowledgeable in their field, and with demonstrated

leadership qualities. The Town of Ancaster was also highly rated and paralleled our rating of the City of Hamilton. The Town of Dundas was rated the lowest of all municipalities reviewed in terms of management effectiveness. In that regard, we found that the chief administrative officer of Dundas exercises little authority or leadership over the appointed officers. Council bypasses this position and often functions as though no chief administrative officer existed in the organization. The bypassing effect also reverses itself in that appointed officials communicate directly with Council rather than through the chief administrative officer.

We would therefore conclude that while the chief administrative officer concept provides the means for effective leadership and management of a community, it is only as effective as the individual holding that position. It is also effective only if appropriate authority is delegated to the person by Council, and once that authority is delegated, it is respected by both Council and appointed officers.

The main advantage that we see in the chief administrative officer concept is that certain operating decisions within the authority of this position can be made immediately by one individual who is accountable for that decision, rather than awaiting scheduled Council or Board of Control meetings where decisions are made by discussion and debate. The decision making process is further slowed down on occasion when items are deferred for further study or where there is insufficient representation to form a quorum, etc.

While there are a number of arguments for the chief administrative officer concept there is a certain element of risk with regard to accountability to the public under this concept. The risk mainly lies in the amount of authority vested in one individual and how that individual exercises his or her authority. Under management by Council, Committees of Council, or Board of Control, there is likely less risk of the inappropriate use of authority but at the same time there can be an adverse effect on management effectiveness.

From the pure management perspective and from the evidence gathered throughout the study, there is no question in our mind that the Regional Municipality of Hamilton-Wentworth and the Town of Stoney Creek have by far the most effective organizations. On that basis, if a recommendation is made by the Commission for the restructuring of government in the Hamilton-Wentworth region, we recommend that the chief administrative officer concept be considered.

We had the opportunity to interview a large number of appointed officers in the Region and the area municipalities. Our general impression of these people was good when relating the individual to his or her responsibilities and the size of the municipality that employed the individual. Within the Region of Hamilton-Wentworth there are a number of exceptionally competent personnel. This group is considered by us as a strong resource base that should not be confined either to the Regional Government or the municipal government in which they are employed. While we were told that there is good communication between appointed officers of the Region and their counterparts in other municipalities, we do not believe that this communication and

inter-municipal use of resources is anywhere near the level it should be. There are two possible reasons for this. Firstly, it may be that area municipalities, particularly the smaller ones, still have some fear or concern about loss of identity and maintaining autonomy. Secondly, it may be that the Region, being somewhat on the defensive over the past few years, has not exercised all the initiative it could have in encouraging the inter-municipal use of management resources for fear of being accused by area municipalities of creating a dependency on the Region that might lead ultimately to single tier government.

We believe that there is a very large opportunity to improve the overall efficiency of the community as a whole through the use of common management resources throughout the Region. One major area for improving the overall effectiveness of management is in the area of standardization. As will be evidenced in our report, there are a large number of different systems employed within the region to achieve the same end result. Some of these are very effective, while others are antiquated. Budgeting, as an example, ranges anywhere from "seat of the pants" methodologies to quite sophisticated cost justification systems, with a number of variations in between.

Management information systems is another area where there is a large scope for standardization. While both the Region and the City of Hamilton use the same computer, many of the management information systems differ to the extent that separate systems definitions and programming are used to satisfy their individual needs. Further, while certain appointed officers of the Region were highly critical of the City of Hamilton's data processing function, we believe

that much of the criticism resulted from the Region independently developing systems unique to the Region, and requesting the City to do final definitions and programming, when in fact it probably would have been more appropriate for the City and the Region to commit more effort to attempting to standardize many of their reports. In addition, some of the smaller outlying municipalities discussed with us the fact that they independently process their own information, either manually or using data processing other than the City's capability. We found no evidence that showed any sincere attempt by the municipalities to tie into the City's computer via a terminal and make use of systems and programs now available to process their own data. We believe that this should be pursued in order to improve the overall management effectiveness of the Region and the area municipalities.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Summarized below, are the principal conclusions and recommendations developed from our review of management in the Hamilton-Wentworth Region. Our detailed findings in the remainder of this report support these conclusions and recommendations.

PRESENT PLANS OF ORGANIZATION

Town of Ancaster

1. The organization structure is appropriate to its activities and is functioning effectively.

Town of Dundas

2. The organization of the Town of Dundas is appropriate to its needs but is not operating effectively due to the lack of administrative authority delegated to the Administrator-Treasurer. The role of this position should be strengthened to improve the coordination and communication among departments.
3. Consideration should be given to amalgamating the Public Works and Parks Departments with the Building and Engineering Department to improve coordination and utilization of resources in these areas and to streamline the reporting structure in the overall organization.

Township of Flamborough

4. The present plan of organization is suitable for its needs but is not functioning as it should due to the lack of sufficient administrative authority delegated to the Administrator-Clerk by Council.

Township of Glanbrook

5. A clearly defined reporting structure does not exist within the organization, and communication and coordination among appointed officers needs to be improved.
6. A chief administrative officer form of government would provide an improved management system through the establishment of clear lines of authority, consistency of decision-making, improved communication and increasing administrative authority.

City of Hamilton

7. There is no formal administrative position or body to direct and coordinate the activities of all departments in the organization.
8. A form of council-chief administrative officer form of government would improve organizational effectiveness and streamline the existing complex form of government.

Town of Stoney Creek

9. The administrative organization is appropriately designed and functioning effectively.

Regional Municipality of Hamilton-Wentworth

10. The plan of organization is suitable for the responsibilities of the Regional Government and is operating effectively with appropriate authority and good communication at the appointed officer level.

RELATIONSHIP BETWEEN ELECTED REPRESENTATIVES
AND APPOINTED OFFICERS

Town of Ancaster

11. Elected representatives basically confine their activities to policy development, decision-making and overall direction while appointed officers are given full authority to operate their departments within established policy. Both groups are able to operate effectively under this arrangement.

Town of Dundas

12. Elected representatives should decrease their administrative role and increase the delegation of authority over routine administrative matters to appointed officers.
13. To reduce organizational complexity, the number of standing committees should be reduced from seven to four by amalgamating (i) the Engineering, Public Works and Traffic Committee with the Community Centre Committee and (ii) the Finance, the Insurance, Personnel, Safety, Publicity and Reception, and the Fire Prevention Committees.
14. The roles and responsibilities of elected representatives and appointed officers should be more clearly defined and understood by both groups.

Township of Flamborough

15. Elected representatives should delegate sufficient administrative authority for appointed officers for the effective operation of their departments.
16. The number of standing committees should be reduced from six to four by amalgamating the Recreation and Arena Committees with the Roads Committee.

Township of Glanbrook

17. Elected representatives need to delegate additional administrative authority to appointed officers.

City of Hamilton

18. Despite the tendency for elected representatives to become involved in administrative matters, appointed officers are delegated sufficient authority to effectively manage their departments.
19. The role of elected representatives is made unnecessarily complex and cumbersome due to the board of control form of government.
20. The number of standing committees should be reduced.

Town of Stoney Creek

21. No major problems exist in the relationship between elected representatives and appointed officers as they possess a clear understanding of their duties and responsibilities and a mutual respect.

Regional Municipality of Hamilton-Wentworth

22. The relationship between elected representatives and appointed officers is appropriate and provides the basis for effective management.
23. Consideration should be given to reducing the number of standing committees from seven to five by amalgamating the Planning and Engineering Committees and eliminating the legislation and Reception Committee.

ELECTED REPRESENTATIVES ASSESSMENT OF MANAGEMENT

24. Elected representatives are generally satisfied with the technical ability, cooperativeness and management capabilities of the appointed officers at both the local area and Regional levels of government.

BUDGETING AND COST CONTROL

25. There is a general need through the Region to improve cost controls through the establishment of more systematic budgeting techniques based on performance or unit cost data.
26. The timing of the budgeting process needs to be advanced in the fiscal year in Ancaster, Dundas, Flamborough and Glanbrook to improve the effectiveness with which budgets are controlled and the efficiency with which tasks are executed. Final approval of all budgets should take place no later than March 31st.

PERSONNEL POLICIES AND ADMINISTRATION

27. Personnel administration is one of the least developed management functions within the Region and the area municipalities particularly among the smaller municipalities.

INTER-MUNICIPAL COMMUNICATION AND
USE OF COMMON ADMINISTRATIVE SYSTEMS

28. Communication among the municipalities is basically confined to job-related or technical problems which affect more than one municipality.
29. More emphasis should be placed on formal inter-municipal communication for the purpose of developing common administrative systems, eliminating duplication of effort and sharing management and technical expertise among municipalities.
30. The four service areas of computers, personnel, purchasing and planning offer the most significant potential for centralization or consolidation. There appears to be very little potential for the increased use of common services in the areas of clerks' department functions, legal services and real estate.

ORGANIZATION

Present Plans of Organization

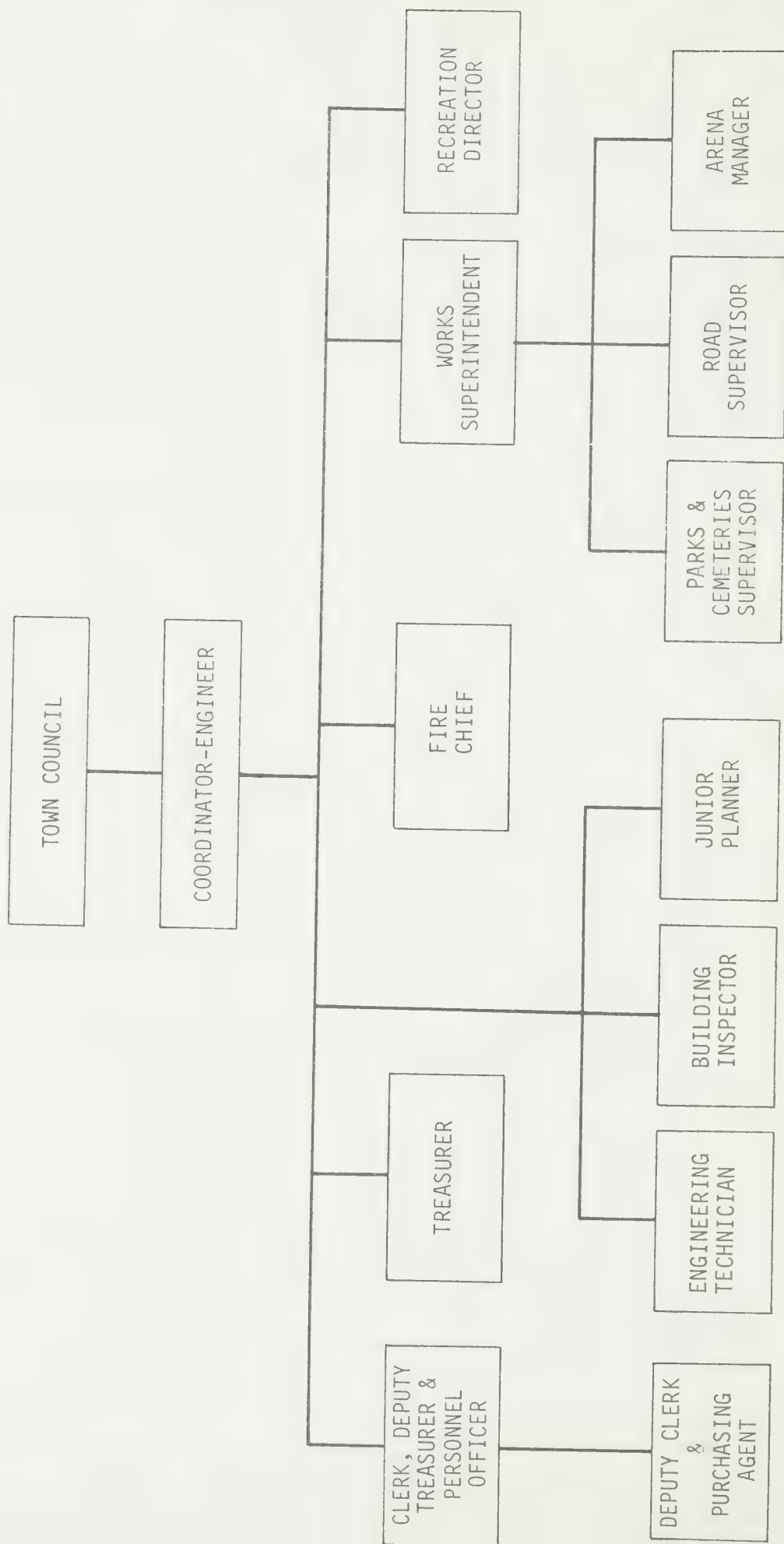
We evaluated the plans of organization of the municipal entities according to established principles of organizational effectiveness and identified the strengths and weaknesses in existence. The principles used include the following.

- clear lines of authority should exist from top to bottom of the organization with no employee directly responsible to more than one superior
- each position should be given sufficient authority to enable the incumbent to be effective and both responsibility and authority should be delegated as far down the organization as the nature of its activities requires and the ability of its personnel permits
- functions should be grouped in as logical a manner as possible, taking into consideration the need for keeping the number of levels of supervision to a minimum while not allowing any appointed officer's span of control to exceed a reasonable limit
- adequate provision should be made for each council elected representative/appointed officer to carry out the planning, coordinating and review of policies required by the nature of his/her responsibilities
- committees should be appointed only where there is a clearly established need and where this is the case, their functions and authority should be clearly defined.

Based on the strengths and weaknesses identified, we assessed the plans of organization for the various municipalities and, where appropriate, developed recommendations for improved organizational effectiveness. Our findings are presented below individually for each municipality.

EXHIBIT ;

TOWN OF ANCASTER ORGANIZATION STRUCTURE



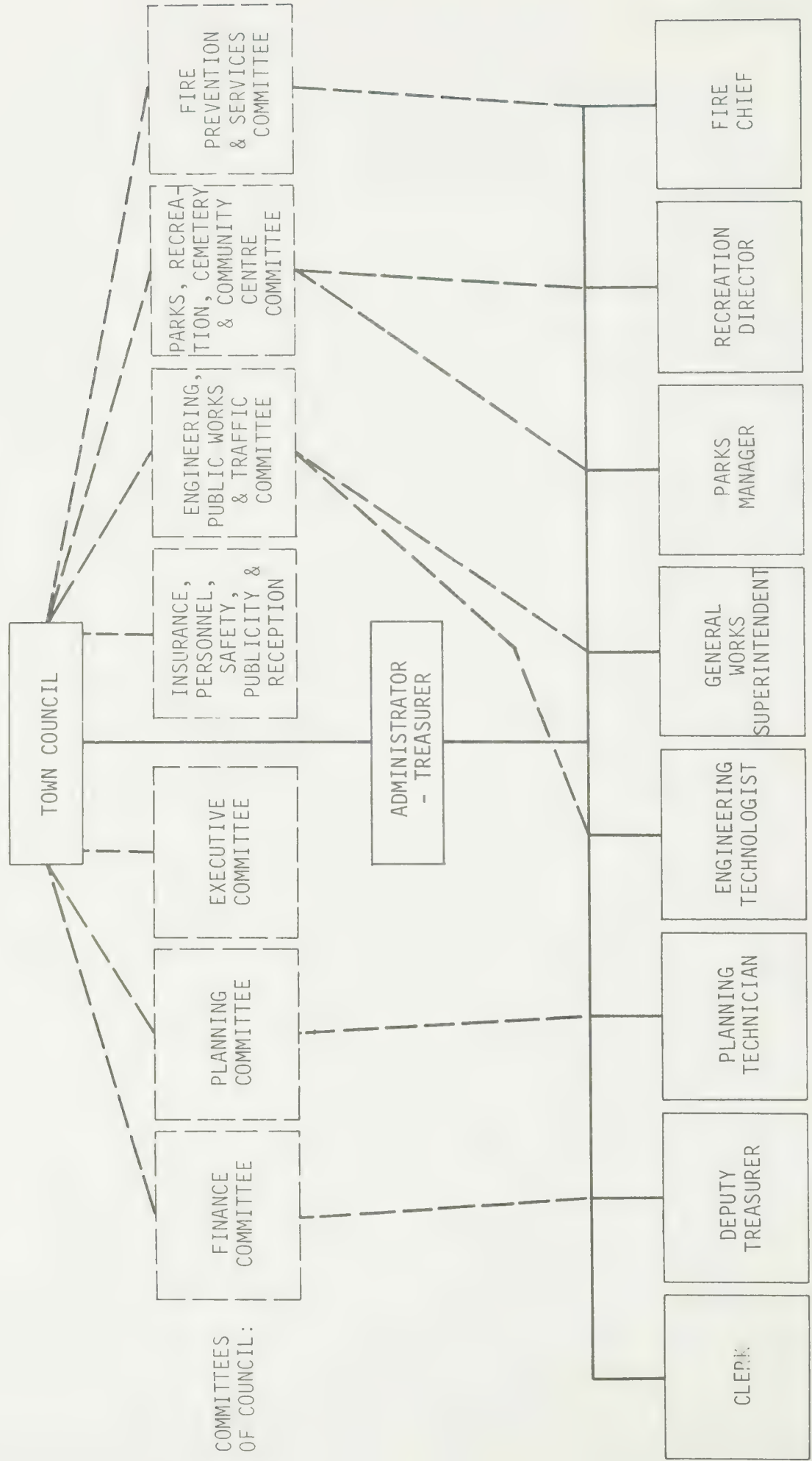
1. Town of Ancaster

The basic design of the present organization structure of the Town of Ancaster is appropriate to its activities and functions. The services being provided are logically grouped from a functional point of view with the span of control of appointed officers being a reasonable size. The presence of the Coordinator-Engineer acting in a chief administrative officer capacity provides effective coordination of the various department's activities, as well as explicit lines of authority and channels of communication within the organization. A particular strength of the organization is the combined responsibility for the maintenance of parks, cemeteries, roads and arenas under the Works Department Superintendent. This provides more flexibility in staff assignments and the means far higher utilization of outside staff and equipment than would be possible if these activities were in separate departments. As a result, we do not see the need for any organization changes for the Town of Ancaster.

2. Town of Dundas

The organization plan of the Town of Dundas exhibits the same characteristics as that of the Town of Ancaster. However in this case, the Administrator-Treasurer is not acting in a chief administrative officer capacity insofar as the appointed officers perceive themselves as reporting directly to their respective Committees of Council. With the Administrator-Treasurer's degree of authority over administrative matters lessened by the role of elected representatives, clear lines of authority and channels of communication are not established. This results in a lack of coordination of activities at

ORGANIZATION STRUCTURE



the appointed officer level. The organization is functioning poorly from an administrative point of view.

In order to improve the performance of the organization we believe the Administrator-Treasurer's role should be strengthened with sufficient authority provided to direct and coordinate all Town departments. Appointed officers should report directly to the Administrator-Treasurer who in turn should act as the main channel of communication for administrative matters between the administrative organization and Council. The Administrator-Treasurer should also be responsible to Council for the effective operation of the organization within established policy.

We further suggest that consideration be given to amalgamating the outside operations in Public Works and Parks with the Building and Engineering Department. This would provide the basis improving the utilization of outside staff and equipment and improve coordination between the Engineering and Public Works functions. Also, the number of appointed officers reporting to the Administrator-Treasurer would be reduced from eight to six, thereby streamlining the reporting structure and facilitating more effective management by the senior administrative officer.

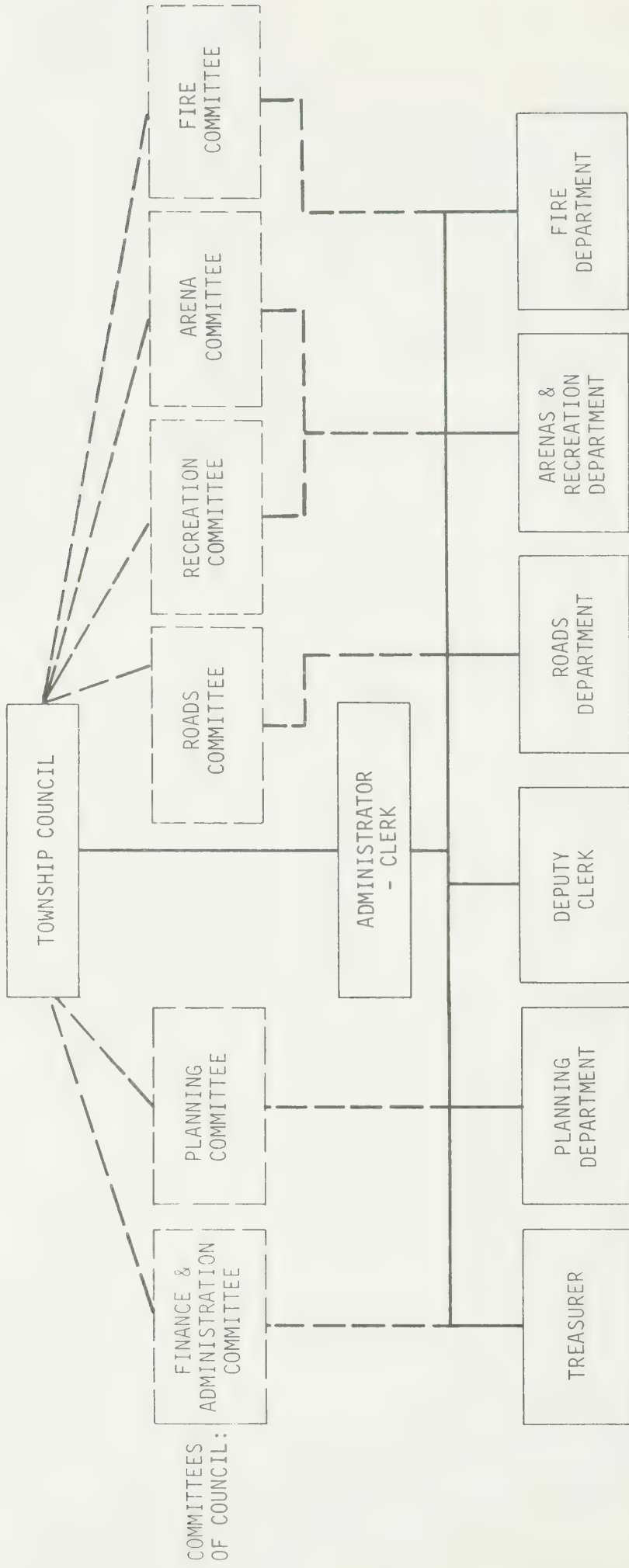
3. Township of Flamborough

In spite of having an organization structure that closely resembles that of the Town of Ancaster, the organization in Flamborough is not functioning as effectively as it could be. Sufficient administrative authority is not being delegated by Council to appointed officers for them to act effectively. While we would not recommend any

EXHIBIT 3

TOWNSHIP OF FLAMBOROUGH

ORGANIZATION STRUCTURE



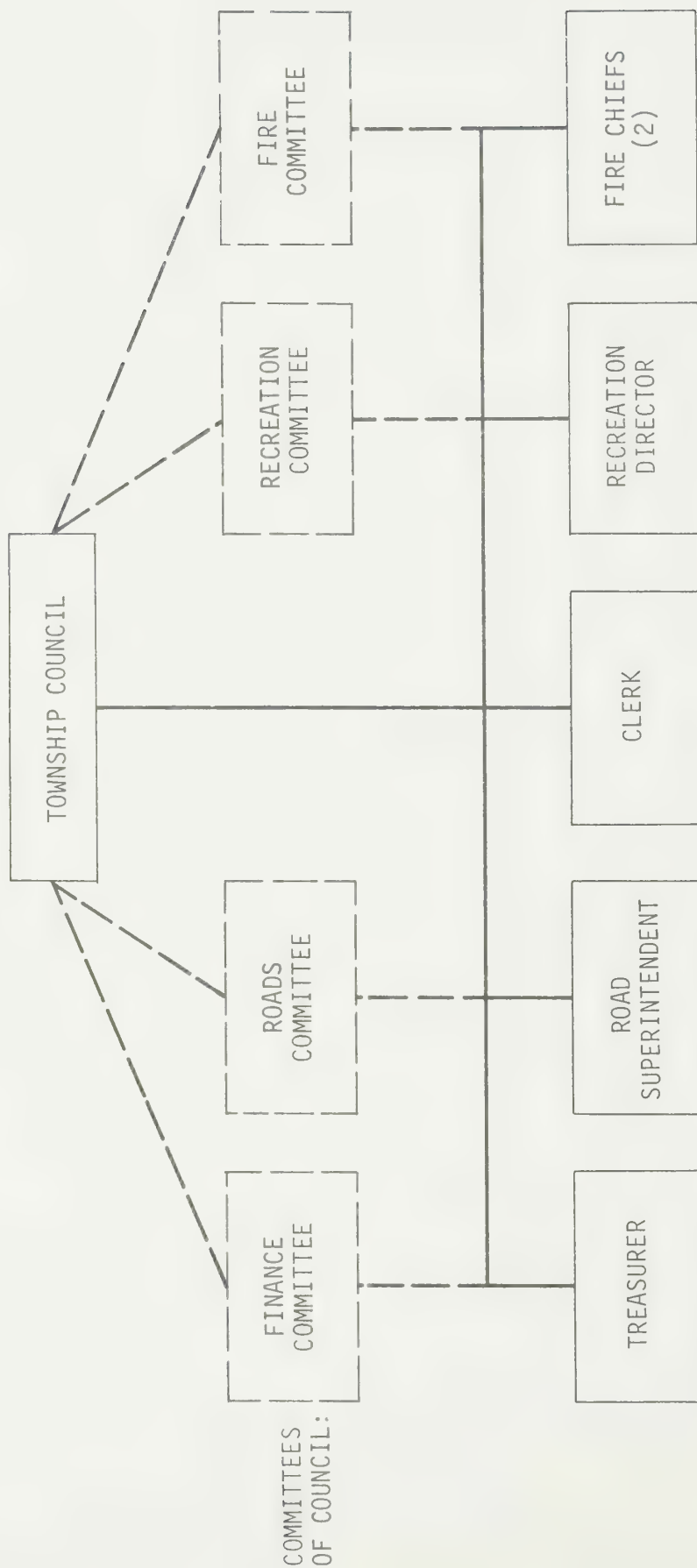
changes to the existing administrative structure, we do believe that reporting relationships, authority levels and channels of communication need to be more clearly defined for the organization to operate more effectively. In addition, appointed officers, and in particular the Administrator-Clerk, should be delegated sufficient authority for the administration and implementation of Council policy.

4. Township of Glanbrook

Unlike the three previous area municipalities, the Township of Glanbrook does not operate under a chief administrative officer form of government. Appointed officers report directly to the Committee of Council responsible for their respective areas of activity. The Clerk is called upon by both elected representatives and appointed offices to perform duties normally expected of a chief administrative officer. These include the direction and assistance of his peers in the organization, the coordination of certain departmental activities and the evaluation of citizens' complaints regarding the services in all departments. However, he does not have any clearly established authority to perform such duties. Further, with the absence of a clearly defined reporting structure, administrative matters are often referred to Council or its Committees when it is not necessary to do so. Also, communication at the appointed officer level is not adequate since there is no level in organization below that of Council through which the administrative activities of Township departments can be effectively coordinated.

In the past, the Mayor has spent a considerable amount of his time performing duties normally assigned to a chief administrative

TOWNSHIP OF GLANBROOK ORGANIZATION STRUCTURE



officer or coordinator function. We believe the Mayor's time would be more effectively spent on policy matters rather than on routine administrative functions.

We believe that the chief administrative officer form of organization would provide an improved management system for the Township of Glanbrook. Due to the small size of the municipality, the duties of chief administrative officer could be combined with those of the Clerk or the Treasurer with both functions performed by one incumbent. This organizational change would establish clear lines of authority, would ensure that decisions are made on a consistent basis and would improve communication among departments, as well as reduce the need for elected representatives to become involved in administrative matters. This reduced involvement would allow this latter group to devote more of their time to policy matters and the overall direction of the Township government.

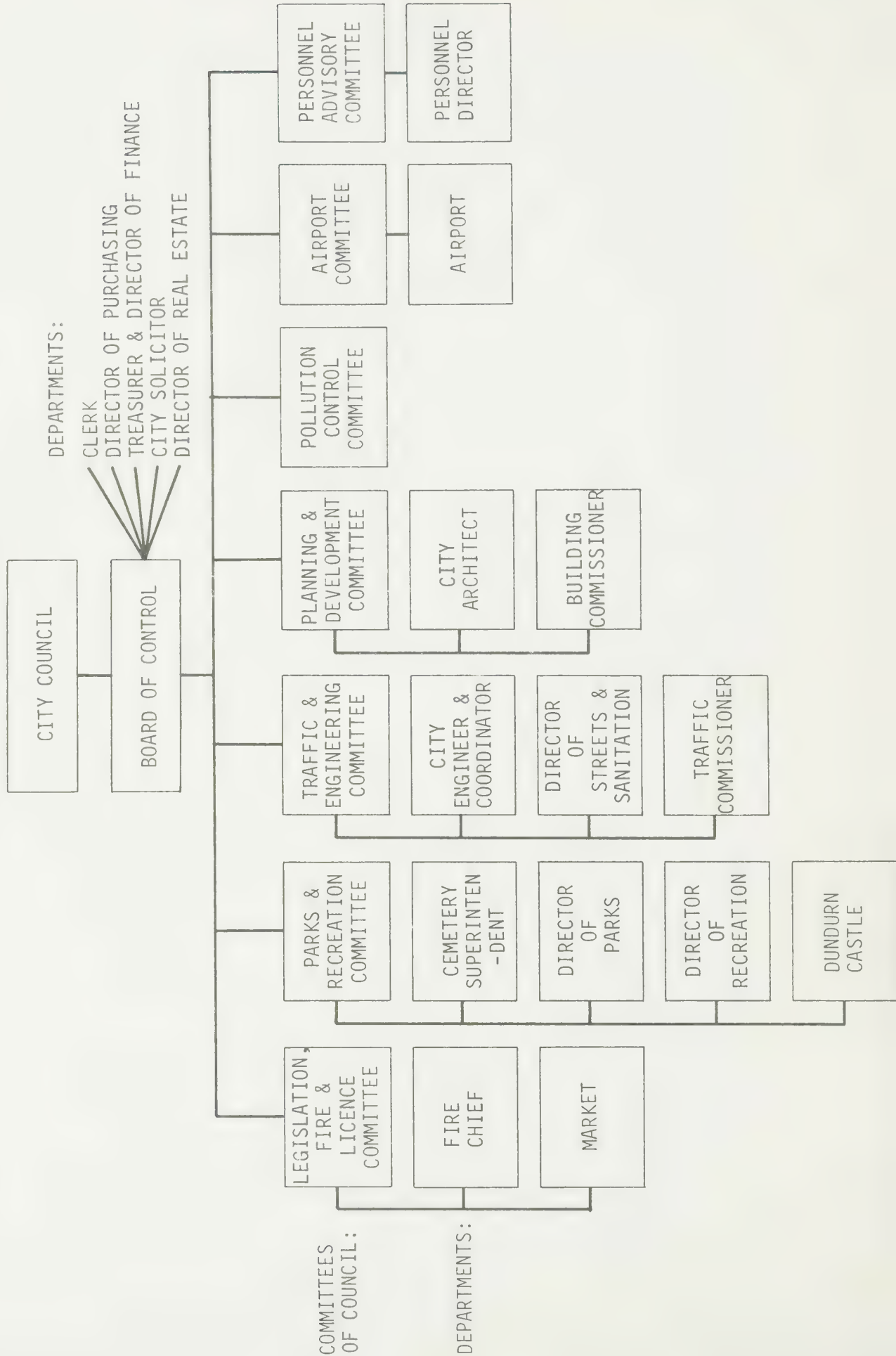
5. City of Hamilton

Due to its large size relative to the other area municipalities in the Region, the City of Hamilton's plan of organization is much more complex. This complexity is increased greatly by the Board of Control system used by the City to coordinate and direct its affairs.

As can be seen from the City's plan of organization, the Board of Control is in the position to direct and coordinate the affairs of the Corporation from both a policy and an administrative point of view. Staff departments including the Clerk's office, Treasury, Purchasing, and Legal and Real Estate Departments report directly to the

CITY OF HAMILTON

ORGANIZATION STRUCTURE



Board, while line departments including Parks, Recreation, Cemetery, Fire, Engineering, Streets and Sanitation, Traffic, Building and Personnel report directly to administrative Committees of Council. In view of this dichotomy of reporting relationships and the absence of an appointed chief administrative officer, there is no means to direct and coordinate the appointed officers from an administrative point of view. This situation gives rise to inconsistencies in decision-making practices among departments including such areas as the resolution of personnel problems, establishment of work standards, performance appraisal and supervisory methods. Also, there exists no direct means to resolve problems or disputes between appointed officers for the benefit of the organization as a whole.

In the next section of this report we outline the advantages of a more streamlined system of government at the elected representative level in our discussion of the relationship between elected representatives and appointed officers in the City of Hamilton. In our opinion it would be equally advantageous from an organizational point of view (at the appointed officer level) for the City to adopt some form of a Council - chief administrative officer system of government. Such a system would provide the means to eliminate the problems inherent in the present Board of Control system.

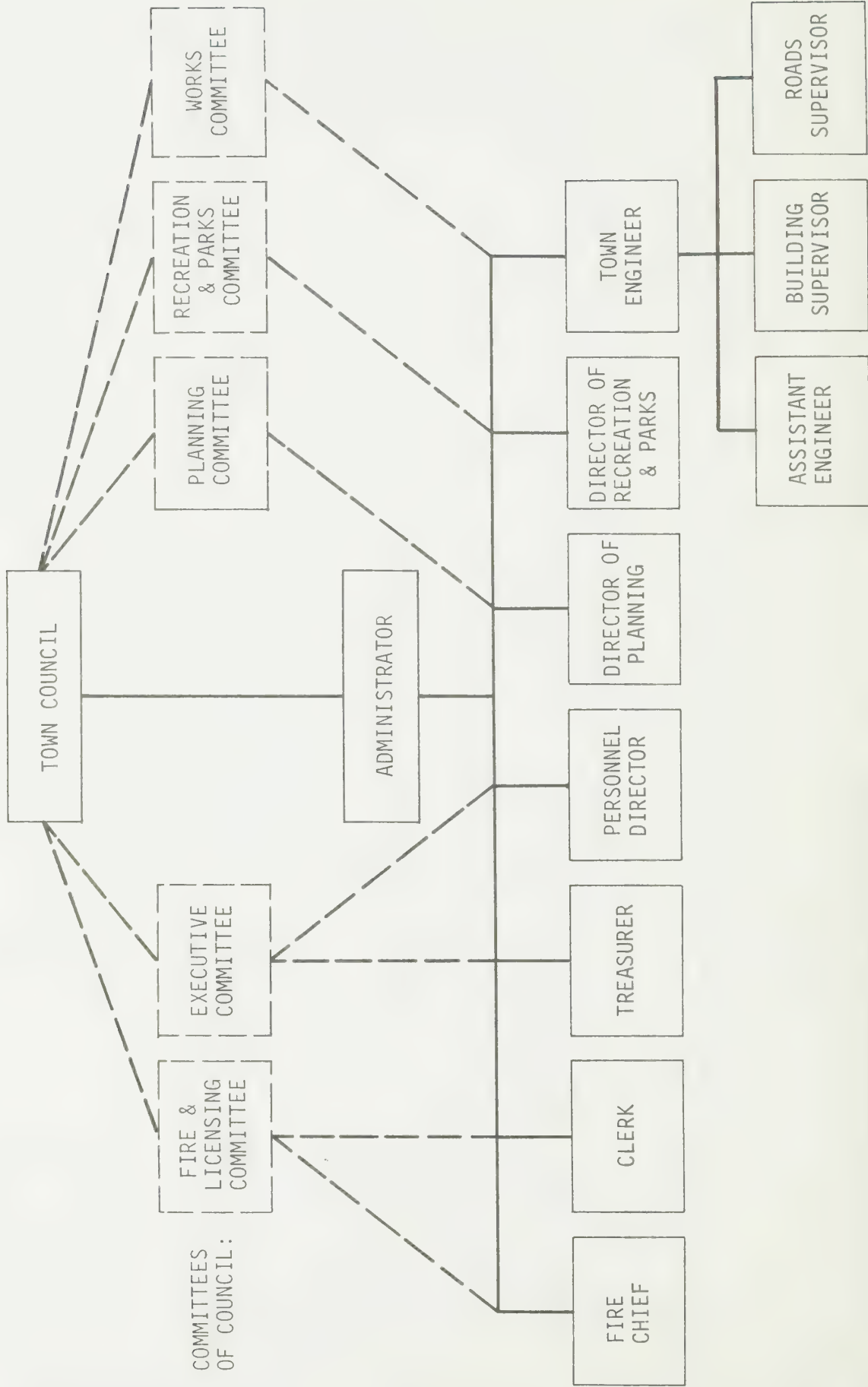
6. Town of Stoney Creek

The plan of organization for the Town of Stoney Creek closely resembles those used by the Towns of Ancaster and Dundas and the Township of Flamborough. The organization is administered by the Administrator who coordinates the affairs to the Corporation under the

EXHIBIT 6

TOWN OF STONEY CREEK

ORGANIZATION STRUCTURE



direction of Council. Municipal responsibilities are divided into seven departments, each with an appointed officer who reports to the Administrator. Administrative authority is clearly defined and delegated to the appointed officers who are accountable for the performance of their departments. Span of control is appropriate and communication and morale among departments appears excellent.

7. Regional Municipality of Hamilton-Wentworth

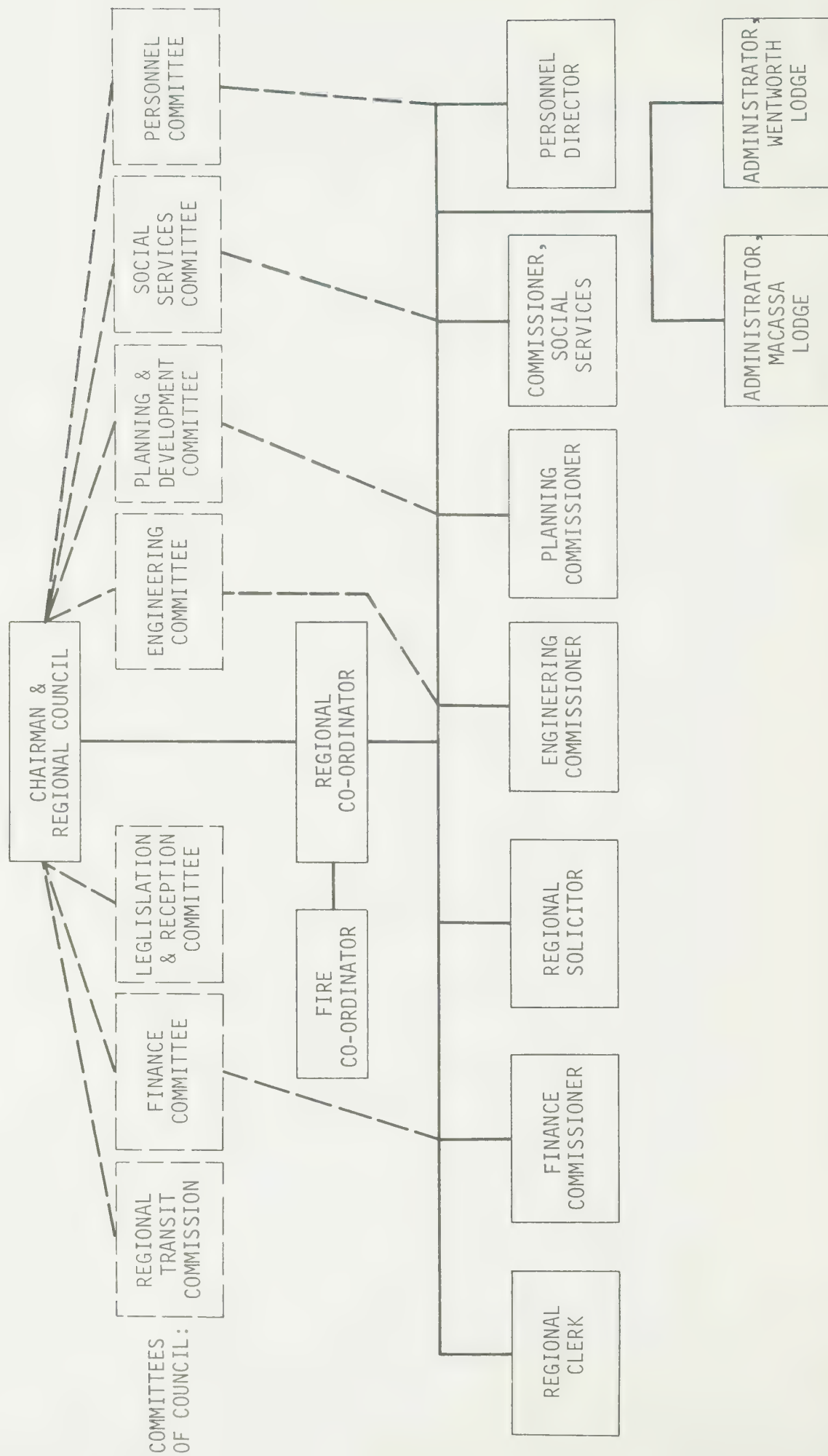
Regional government in Hamilton-Wentworth has been in effect since January 1, 1974. In our review of the management of the Region, we have considered this from two points of view. Firstly, regional government is young and is still in the process of adapting to the addition of new services as well as management requirements to administer these services. While on the surface this may be a disadvantage in carrying out an evaluation of the effectiveness of management, it does carry with it certain advantages. Our second consideration is, therefore, the fact that in establishing a new organization, regional government was able to be selective in filling certain key positions.

The organization structure of the Region as shown is administered by a Council chaired by Mrs. Ann Jones. There are seven Committees of Council including the Regional Transit Authority. Our analysis shows that Council and Committees of Council are involved primarily in policy-making with limited involvement in the day-to-day management of the Region. This responsibility lies with the Regional Coordinator, who has appropriate authority vested in him to effectively manage the affairs of the Region.

EXHIBIT 7

REGIONAL MUNICIPALITY OF HAMILTON - WENTWORTH

ORGANIZATION STRUCTURE



The Regional Coordinator, coordinates the activities of seven departments as well as the activities of Administrators of Macassa Lodge and Wentworth Lodge. The Region has a direct staff of approximately 1,200 people. In addition, the Region provides administrative services to an additional 1,000 employees within the Police, Library and Health Services areas. The total staff administered either directly or indirectly by the Region is 2,200 employees.

Lines of Communication

The Regional Coordinator is responsible for reporting to Council on the activities carried out by the Region. Appointed officers are free however, to attend Council meetings with the Coordinator. With the exception of the Regional Clerk, the appointed officers, including the Administrators of Macassa and Wentworth Lodges report to their Standing Committees of Council on matters of policy.

Communication among senior people within the Region's organization is exceptionally good. The Regional Coordinator communicates with his Department Heads on a daily basis and with the Chief of Police, Manager - Public Transit, the Mayors and Chief Administrators of the other municipalities within the Region on a weekly basis.

During our interviews with the appointed officers, each one without exception demonstrated complete awareness, not only of the Region's plans, policies, procedures, etc., but also of the operation of each other's departments. Members of the management team of the Region have formed, either formally or informally, a strong cohesive team. The Regional Coordinator's style of management which is one of delegating

appropriate responsibility and holding subordinates accountable, has permeated throughout the organization. Appointed officers, therefore, endeavour to take a very responsible approach to managing their individual departments. We were also told that one of the reasons for cohesiveness among managers is that the Region over the last few years has been the target of criticism within the Hamilton-Wentworth area, particularly in the area of costs and efficiencies. Regional management is therefore very aware of the fact that they are vulnerable to criticism and attempt to operate as cost effectively as possible in order to avoid unfavourable publicity.

Based on our review of Regional Management we do not see the need for any changes to the existing plan of organization.

Relationship Between Elected Representatives and Appointed Offices

In order for local governments to effectively discharge their responsibilities, both elected representatives and appointed officers must possess a thorough understanding of their respective roles in the organization. Municipal statutory statements of the duties and responsibilities of these two groups typically assign matters of planning, policy-making, overall direction, control and assessment of the organization's performance to the elected representatives, while the officers are charged with providing technical and administrative support to the decision-making process as well as the day-to-day administration and control of their departments.

Due in part to the measure of local autonomy given to municipalities in conducting their operations, there exists considerable

variation in how the duties of elected representatives and appointed officers are assigned and exercised among the municipalities in the Hamilton-Wentworth Region. The role and responsibilities assumed by these two groups in turn, has a direct bearing on the effectiveness and the efficiency with which municipal affairs are processed, decisions made and action taken.

The administrative role of elected representatives in the area municipalities varies from one of little or no involvement to considerable participation in the day-to-day administration and implementation of policy decisions as shall be demonstrated in the following summary of our findings for each municipality.

1. Town of Ancaster

Since 1967, Council in the Town of Ancaster has conducted all of its formal business at regular weekly meetings without the use of separate committees either of the whole, or part of its members. In this manner elected representatives have an equal opportunity to be informed of all matters which require their attention. Without committees-of-council there is no formal mechanism for elected representatives to become involved in administration other than regular Council meetings which tend to be confined to policy and decision making matters. Requests from Council to appointed officers are channeled through the Coordinator-Engineer, who acts as the chief administrative officer. The Coordinator-Engineer is responsible for coordinating the activities of all departments to meet both the routine and non-routine needs of Council. Appointed officers are largely left to manage their own departments within the guidelines of established policy. Under this

system appropriate lines of communication are established and all individuals concerned appear to have a clear understanding of their duties and responsibilities.

From a management point of view, the system appears to be functioning well as both the elected representatives and appointed officers can effectively discharge their responsibilities within the formally established framework.

2. Town of Dundas

In contrast to Ancaster, elected representatives of the Town of Dundas are assuming a significant role in the administration of internal department operations. As a result, appointed officers do not have sufficient authority to manage effectively their departments within established policy. Decisions which should be made by the appointed officers, in some cases, must await consultation with committee chairmen or be delayed until upcoming committee meetings. This impedes the efficiency with which departments can act upon matters requiring their attention and makes the division of responsibilities between elected representatives and appointed officers unclear. We believe that the involvement of elected representatives in administrative matters should be reduced.

The administrative role of elected representatives is facilitated by the seven committees of council presently in existence. This system is in strong contrast to the absence of Committees in Ancaster. This situation is even more striking when it is realized that these two municipalities have substantially the same statutory responsibilities.

The higher the number of Committees, the more fragmented and complex the administrative process becomes due to the larger number of channels of communication among committees, between Council and committees, and between committees and appointed officers. In a municipality of the size and with the responsibilities of Dundas, we cannot see the justification for seven committees of council. We recommend that the number of committees be reduced from seven to four. A suggested grouping of committee responsibilities is as follows:

- the responsibilities of the Engineering, Public Works and Traffic Committee joined with the Parks, Recreation, Cemetery and Community Centre Committee. This would group the responsibilities for the operation of all physical facilities and services under one committee.
- the responsibilities of the Finance, the Insurance, Personnel Safety, Publicity and Reception, and the Fire Prevention and Services Committees amalgamated in the form of a new Finance and Administration Committee.
- the retention of the Executive and Planning Committees as they presently exist.

Reduction of the committees in the above manner would reduce the total demands on elected representatives' time as well as reduce the fragmentation of their responsibilities. This would enable them to become better informed since they could spend more of their time in each individual area. Also, by enlarging committee responsibilities, elected representatives would be exposed to a wider range of matters and issues which would give them a broader perspective on the operation of the municipality.

A separate, but equally important, adverse effect of the administrative role of elected representatives in Dundas is the diminished authority of the Administrator-Treasurer as the senior

administrative officer. The Administrator-Treasurer is limited in his ability to coordinate the activities of Town departments and to deal with administrative matters which do not require the attention of Council where these are dealt with directly between the committees of council and the respective appointed officers.

We believe that coincident with decreasing the administrative role of elected representatives, the Administrator-Treasurer should be delegated increased authority by Council in this same area. There is also a demonstrated need for a clearer definition of the roles and responsibilities of both the elected representatives and appointed officers to ensure that these are fully understood by all concerned.

3. Township of Flamborough

Despite a small number of committees of council and departments in the organization, the Township of Flamborough is experiencing much the same kind of management problems as the Town of Dundas. These are summarized as follows:

- lack of delegation of administrative authority to the Administrative-Clerk by Council. Decisions which would be more effectively made at this senior administrative level are often referred to Council when it is not necessary.
- the existence of six Committees of Council which assume a strong administrative role in the operation of their corresponding departments. It is important to note there is basically a one-to-one relationship of Committees to departments with the exception of the Clerks Department. These Committees are not delegating sufficient authority to appointed officers to enable them to operate their departments effectively.

For the same reasons as discussed in relation to the Town of Dundas, we believe that increased administrative authority be

delegated to appointed officials and, in particular, to the Administrative Clerk to act within the established policy guidelines of Council. At the same time, the number of committees should be reduced from six to four by amalgamating the Recreation and Arena Committees with the Roads Committee. In addition to improving the overall management, this amalgamation will improve coordination of the physical and other outside services provided by the Township.

4. Township of Glanbrook

Unlike the three previous municipalities, the Township of Glanbrook does not operate its administrative organization under a chief administrative officer concept. As a result, Council and its Committees deal directly with the various appointed officers in making requests for information or services, and for other administrative matters. Elected representatives have tended to assume a significant administrative role under this system by exercising some of the authority over day-to-day operations which could otherwise be effectively delegated to appointed officials. As is the case with Dundas and Flamborough, this "cutting across" of conventional organizational lines of authority has an adverse effect on communication and the coordination of activities among the various departments.

In order to improve the effectiveness and efficiency with which operating decisions are made, it is important that elected representatives delegate sufficient authority to appointed officials, while maintaining their current responsibilities for planning, policy making, etc. As previously mentioned, in our opinion, this should be undertaken under a new chief administrative officer form of government.

5. City of Hamilton

Prior to revisions to the Ontario Municipal Act in 1961-62, the establishment of a board of control was mandatory in cities with a population in excess of 100,000.

Under the council/board of control system in the City of Hamilton, elected representatives are composed of two separately elected and distinct groups. Council, as one group, delegates a certain amount of its authority to the Board of Control in addition to the powers of statute assigned to this latter group. The powers and duties of the Board of Control include the development of annual budgets, the nomination, dismissal and suspension of appointed officers, the awarding of contracts, inspection of municipal work in progress, the submission of proposed by-laws to Council and administration of the plan of organization for the Corporation. As a result of its extensive powers, the Board of Council is a focal point through which a multitude of municipal matters are processed between Council and the various appointed officers. With the absence of a chief administrative officer in the organization, the Board of Control acts as the main administrative link between Council and the various operating departments.

Elected representatives also serve on standing council committees which number some forty in total. Most of these committees do not meet on a regular basis, but rather as required. Board of Control has a representative on each committee and in this way is continually kept up-to-date with activities throughout the entire organization. The five committees which meet regularly are as follows:

- Legislation, Fire and Licence
- Traffic and Engineering
- Planning and Development
- Parks and Recreation
- Airport

These committees are responsible for supervising the administration of the respective line departments, as well as the development of plans and policies for recommendation to Council and dealing with representations from the public. Staff departments - Clerk, Purchasing, Treasury, Legal and Real Estate - report directly to the Board of Control.

Inherent in this structure is the assumption of an administrative role by elected representatives. However, senior appointed officers appear to be delegated sufficient authority by Council to effectively manage their internal operations insofar as they are generally free to hire, promote, discipline and dismiss staff; plan workloads and set work priorities; establish internal operating procedures; and make day-to-day operating and technical decisions which affect the performance of departmental responsibilities within their approved operating budgets. On the whole, the administrative role of elected representatives does not appear to be adversely affecting the internal management of City departments to any significant degree.

The present system, through its large number of committees and two distinct groups of elected representatives, does however give rise to a high degree of complexity. This complexity, in turn, makes the development and evaluation of proposals and the development of recommendations unnecessarily cumbersome and time-consuming in comparison with the system in existence at the Regional level. There is frequent duplication of discussions among

elected representatives as matters are sometimes considered at all three levels - Committees, Board of Control and Council. In sum, this complexity results in frequent delays in the decision-making process at the elected official level.

A second major disadvantage of the present system is the lack of established lines of communication to coordinate the administrative activities of City departments. Improved coordination is required for the implementation of Council policy and recommendations, the collection of information and evaluation by administration of proposals before Council or Board of Control, and the assessment of inter-departmental impacts of proposed changes. This lack of coordination gives rise to the provision of inconsistent or incomplete information to elected representatives.

Due to the large size and degree of complexity of the organization, it was not possible to develop detailed recommendations for improvement within the scope of this study. A review of literature on the board of control system of government does, however, indicate the following facts:

- the board of control system is unique to Ontario with the exception of Switzerland. No other countries have seen fit to adopt this system for municipal management.
- since the use of the board of control system was made optional in 1961-62 by the Ontario Municipal Act (a two-thirds vote of Council is required to abolish the system in municipalities where it presently exists) this system has been eliminated in 16 out of 25 Ontario Councils in which it existed at that time. The chief administrative officer form of government has been adopted in 13 of these 16 municipalities.(1)
- in 1969, a Council-appointed citizens committee in the City of Hamilton recommended that the Board of Control be replaced by an Executive Committee of Council to be selected by elected representatives from among its members.(2)

(1) Source: "Decision-Making Processes in Ontario's Local Governments", P. Hickey, F.C.A., Ministry of Treasury, Economics and Intergovernmental Affairs, Chapter X, p. 158.

(2) I.B.I.D., p. 157.

In our opinion, the establishment of a unified group of elected representatives, a reduced number of standing committees, and a form of chief administrative officer system of government would provide the following functional advantages:

- a more effective and efficient decision-making process through a reduction in organizational complexity. Not only could business be expedited, but the total time committed to municipal activities by elected representatives would decrease particularly in relation to administrative matters.
- an integrated system of administration at the appointed officer level would be established.

6. Town of Stoney Creek

The relationship between elected representatives and appointed officials at the Town of Stoney Creek is appropriate for the effective management of the organization. Council and its committees assume the role of policy and decision-making and have delegated authority and accountability for the implementation of policy down to the appointed officer level. The Administrator acts as the main channel of communication between elected representatives and appointed officers and is fulfilling this function accordingly. Both the elected and appointed groups appear to have a clear understanding of their duties and responsibilities and a mutual respect for one another. There are no major problems inherent in their relationships which inhibit the effectiveness with which municipal responsibilities are discharged in the Town of Stoney Creek.

7. Regional Municipality of Hamilton-Wentworth

The establishment of the Regional Municipality of Hamilton-Wentworth in 1974 presented the unique opportunity to develop a

structurally sound organization that could provide effective management of the affairs of the Region. The 28 member Regional Council consists of 17 elected representatives from Hamilton and 2 from each of the other municipalities. The seven Standing Committees each consist of 9 elected representatives with the exception of the Personnel Committee which includes 10 members.

The relationship between elected and appointed representatives within the Regional Municipality of Hamilton-Wentworth is good. Our study shows that there is a clear understanding of the role each group plays in administering the affairs of the Region. One of the predominant reasons for this, of course, is the fact that these roles were established a relatively short time ago in relation to other municipalities and awareness of the individuals role in regional management has not been diluted by time.

Other reasons for the noticeably good relationship between elected representatives and appointed officers in the Region include:

- the heavy burden placed on both groups in structuring regional government and related administrative systems to cope with ever-increasing demands generated during the three years when the majority of transfers of functions took place.
- the general competency of the appointed officers in the Region. As we mentioned earlier, the Region at its inception was able to recruit and appoint high calibre people to the senior positions in the organization.
- the strength and capability of the incumbent Regional Coordinator.

With the exception of the planning and engineering functions, all other appointed officers were recruited from outside the Hamilton-Wentworth area.

The City Manager or Coordinator concept is functioning extremely well and, in our opinion, has produced the greatest contribution to not only the good relationship between the elected and appointed groups, but also to the effectiveness of management in the Region as a whole. This is not to say that there are not weaknesses in the organization. We question the need for seven standing committees for two reasons. Firstly, as was the case with the City of Hamilton, the greater the number of committees, the greater the tendency exists to slow down the decision-making process within any organization. In addition, a large number of committees have a tendency to fragment the decision-making process. Although, on the surface, the organization may consist of separate and independent functions, in reality a strong interdependency exists. For instance, the planning and engineering functions, if viewed from the perspective of planning being a before the fact function, and engineering being implementation function in many cases, there develops a natural interdependency between the two functions. We would therefore propose that consideration be given to the establishment of a Planning and Engineering Committee, rather than having separate committees for each one of these functions. We would propose that Finance, Social Services and Personnel continue as standing committees, and also the continuation of the Transit Commission as a standing committee. We would recommend that Legislation and Reception receive further review by the Region in order to determine whether this should continue as a standing committee or whether or not it would be more effective to strike an "ad hoc" committee or a sub-committee as required.

EXHIBIT 8

ASSESSMENT OF APPOINTED OFFICERS BY ELECTED REPRESENTATIVES ALL MUNICIPALITIES

Municipality	Number of Responses	Rating								
		Technical input			Cooperation			Management capability		
		Excellent	Satisfactory	Poor	Excellent	Satisfactory	Poor	Excellent	Satisfactory	Poor
Regional Municipality of Hamilton-Wentworth	60	71.7%	23.3%	5.0%	66.7%	25.0%	8.3%	65.0%	23.3%	11.7%
Town of Ancaster	6	50.0	50.0	0	100.0	0	0	66.7	33.3	0
Town of Dundas	44	65.9	31.8	2.3	72.7	27.3	0	68.2	27.3	4.5
Township of Flamborough	38	63.1	31.6	5.3	76.3	23.7	0	56.8	40.5	2.7
Township of Glanbrook	18	16.7	72.2	11.1	38.9	55.5	5.6	11.1	77.8	11.1
City of Hamilton	65	52.3	47.7	0	63.1	35.4	1.5	60.0	36.9	3.1
Town of Stoney Creek	31	74.2	19.4	6.5	83.9	16.1	0	71.0	22.6	6.5

Source:

Responses by elected officials to the Political Life Questionnaire, section IX, "For Management Study - Council Relations with Administration", question 3.

Elected Representatives Assessment of Management

In the political life questionnaire we asked elected representatives to indicate their opinions on the capabilities of appointed officers of the Region and the area municipalities. Elected representatives rated the technical input, cooperativeness and management ability of the appointed officers with whom they have regular contact. The exhibit opposite this page summarizes the information collected.

The Town of Stoney Creek and the Regional Municipality of Hamilton-Wentworth received the highest and second highest rating respectively for technical input by appointed officers. The Township of Glanbrook received the lowest rating in that category, while the other municipalities were relatively equal. In the category of cooperation between appointed officers and elected representatives, the Town of Ancaster was rated highest followed by the Town of Stoney Creek, and the Township of Flamborough. The Township of Glanbrook was rated the lowest. Under the category of management capability, the Town of Stoney Creek received the highest percentage of excellent ratings followed closely by Dundas, Ancaster and the Region.

As part of our analysis we separated the ratings of appointed officer functions of the Region using the same three categories, i.e. technical, cooperation and management capability. These ratings are summarized in Exhibit 9, opposite the following page. Under the technical category the Finance and Social Services functions were rated the highest, followed by Personnel and Engineering, with Planning and Legislation and Reception receiving the lowest ratings.

EXHIBIT 9

ASSESSMENT OF APPOINTED OFFICERS BY ELECTED REPRESENTATIVES

REGIONAL FUNCTIONS

Regional Function	Number of Responses	Rating								
		Technical			Cooperation			Managerial Capability		
		Excellent	Satisfactory	Poor	Excellent	Satisfactory	Poor	Excellent	Satisfactory	Poor
Engineering	7	71%	29%	Ø	86%	14%	Ø	71%	29%	Ø
Planning	11	64	18	18%	64	27	9%	64	9	27%
Finance	9	89	11	Ø	67	22	11	67	33	Ø
Legal	7	43	43	14	29	57	14	29	57	14
Social Services	9	78	22	Ø	78	22	Ø	78	22	Ø
Personnel	7	71	29	Ø	71	29	Ø	71	29	Ø
Transit	6	100	Ø	Ø	100	Ø	Ø	100	Ø	Ø
Roads	2	50	50	Ø	Ø	Ø	100	Ø	Ø	100
Sewers	1	100	Ø	Ø	100	Ø	Ø	100	Ø	Ø
Police	1	Ø	100	Ø	Ø	100	Ø	100	Ø	Ø

Notes:

- (i) Transit Commission not studied by Woods, Gordon & Co.
- (ii) Roads, Sewers and Police assessment invalid due to limited responses.

Under the category of management capability, Social Services received the highest rating followed by Personnel Engineering, and Finance. Planning and Legislation received the lowest rating.

The ratings were received after we had carried out our analysis of management and support a statement made in our draft report submitted January 20 that there appears to be some problems in the Planning function within the Region. Further analysis showed that dissatisfaction with the Regional Planning function comes primarily from the Town of Ancaster and the Township of Glanbrook, while the other municipalities rated the Planning function as satisfactory to excellent. On the other hand, the lower position that Legislation and Reception hold on the scale appears to be a general assessment consistent among all of the municipalities within the Region. We attempted to identify why this situation existed. We, therefore, went back to our own review of functions within the Region and our impression of the Regional Legal Department did not support the opinions of the elected representatives. Our only comment would be that the Regional Solicitor is a relatively quiet and low-key individual and it may be that this has somewhat influenced the rating of the Regional Legal function.

Impact of Legislation

As part of our review, we asked appointed officers whether local and provincial legislation has a significant impact on management effectiveness.

Generally speaking, local legislation has a beneficial impact on management insofar as it establishes clear policy guidelines, and related management responsibilities. As far as provincial

legislation is concerned, appointed officers at the Town of Stoney Creek were the only group to express a strong opinion. Generally, they feel that provincial legislation restricts the effective performance of their duties because it is often cumbersome, difficult to change and it slows down the decision-making process when provincial approval is required.

BUDGETING AND COST CONTROL

Generally there are two major weaknesses in budgeting and cost control procedures among the municipalities. First, with the exception of a few cases, there is a need to establish performance budgeting techniques to improve control over operating budgets. Such techniques should include the establishment of performance standards for individual tasks and the determination of acceptable quality standards to be applied to anticipated workloads. Systems of this type offer the following advantages:

- appointed officers have the means to justify increases in expenditure on a scientific basis before Council.
- elected representatives are able to evaluate budget representatives and to make reductions where budget requests are not justified. Through the establishment of quality standards, Council is able to assess the impact of reducing costs in particular areas on the level of service.
- given the appropriate reporting systems, Council has the means for evaluating the performance of municipal departments on the basis of planned versus actual workloads. Reasons for over-expenditure can be pinpointed and corrective action taken for improvement.

The second major weakness in budgeting procedures relates to the fact that, with the exception of the Regional Municipality of Hamilton-Wentworth, the City of Hamilton and the Town of Stoney Creek, final budget approval by Council is later than desirable in the budget year. Two adverse effects could be corrected by ensuring that all budgets receive final approval by March 31st of each year. These are:

- The monitoring of actual versus budgeted expenditure levels cannot occur until such time as budgets are finalized. Problems with over-expenditure already exist by the time budget approval is received. More timely budget approvals

would enable problem areas to be identified and corrected earlier.

- Some activities, particularly those relating to proposed new services and project, cannot be initiated until final budget approval is given. If budgets were approved at the earliest possible date, departments would be given more time and flexibility for planning and executing these tasks.

Our findings for the individual municipalities which supported the above conclusions are detailed in the remainder of this section.

Budgeting Procedures and Timing

1. Town of Ancaster

There is no budget committee of administrative staff which oversees the preparation of the current budget. The budgeting process commences in January when appointed officers prepare initial estimates for their departments. Estimates are based on forecasted workloads by activity. Where possible costs are estimated by project or task, based on the previous year's unit costs, particularly in the Roads Department. It is our understanding that the Town is experimenting with a simplified form of zero-based budgeting in 1978. Preliminary department budgets are reviewed by the Town Coordinator before being submitted to Council. Each appointed officer participates in Council's review of his/her department as does the Treasurer. Budgets are finalized in April or May with the inclusion of the educational and regional levies.

Although some attempt is made to establish budgets based on unit costs, no standard methods or procedures exist for this purpose. As a result, the same degree of cost control is not exercised in all areas and departments. In addition, the unit cost data which is used is

based on actual historical performance data without consideration as to whether or not previous performance was adequate. If a zero-base budgeting system were adopted on an ongoing basis, the basis for improved cost control would be established.

Final Council approval occurs too late in the year and should be brought forward to allow more timely initiation of new programs and projects awaiting approval. The process whereby each appointed officer presents his/her budget to Council provides direct communication with elected representatives which facilitates their understanding of departmental requests.

2. Town of Dundas

The Finance Committee of the whole Council acts as the formal budget committee. Preliminary estimates are prepared from January to March of each year. Each appointed officer is responsible for his/her own particular budget. Estimates are based on a combination of the previous year's budgeted levels and actual costs, plus anticipated increases or decreases in forecasted workloads by activity. Appointed officers consult with the Administrator-Treasurer before submitting their preliminary budgets to the budget committee. This committee, in turn, submits its final budget appropriations to Council for approval.

Budget estimates are based primarily on previous experience without the benefit of any standard estimating procedures such as unit costs or performance standards for anticipated work activities. This process also commences at a later than desirable date (January).

3. Township of Flamborough

The Township does not have a formal budget committee. The budgeting process commences in January when the Fire Department and Recreation Commission prepare their preliminary estimates, followed by the Roads Department in March and the finance and administrative departments in April to May. Appointed Officers prepare their own estimates which are generally based on the previous year's actual costs plus estimated increased or decreases in price levels and workloads. Each department has its own methodology for preparing estimates. Regional and educational appropriations are incorporated into the overall levy in May or June at which time the final budget is approved by Council.

The Township adopts an informal approach to the budgeting process without the use of unit costs or performance budgeting data to establish workload requirements. The process does not begin until January and the completion date is considered to be too late in the year for effective cost control. This undoubtedly makes it somewhat difficult for appointed officers to plan and distribute their workloads evenly throughout the year. Under the existing system, Council is not provided the means to evaluate or for appointed officials to justify expenditure levels before Council. As a result, cuts from initial department estimates must be made on a somewhat arbitrary or subjective basis.

4. Township of Glanbrook

The Finance Committee of Council which consists of the Mayor and two Councillors acts as the budget committee. The budgeting process usually commences in November or December of the previous year.

Appointed officers from the Roads, Fire and Recreation Departments meet with their respective council committees to establish initial budgets. Estimates are based on the previous year's costs plus anticipated increases or decreases in price levels and workloads. Initial budgets are then reviewed by the Finance Committee in conjunction with the overall budget. All other budgeted items (administrative departments) are prepared by the Finance Committee. Council approves the final budgets in June after incorporation of the regional and educational levies for the year.

Council members assume more of an active role in the preparation of initial development budgets than is the case with the other municipalities. As was the case with the foregoing municipalities, there are no means for establishing or adjusting budgeted expenditure levels based on unit cost or performance budgeting techniques. The completion date is also much too late in the year for effective workload planning and should be advanced from June to March.

5. City of Hamilton

Current Budget

The Board of Control acts as the current budget committee and exercises full control over the budget approval process. In previous years, appointed officers have used various cost plus and/or forecasting methods to prepare their estimates. Zero-based budgeting is currently being implemented in all departments commencing in the budget year 1978. Scheduled dates, times and responsibilities for the new process are, as of this date, tentative only. However, appointed officers were in the process of completing their initial departmental

decision packages in December 1977. The target date for final City Council approval is February 1978.

While in the past, the development of current budgets was not based on standardized or unit cost estimating procedures, the implementation of zero-based budgeting, if properly implemented, should provide a more formalized and effective approach to the budgeting process. Expenditures in future years under this system will have to be justified in total with expenditures effectively controlled and unnecessary expenditures eliminated.

The scheduling and timing of milestone dates tentatively set thus far in the zero-based budgeting process provide effective control and timely budget approval. With the new system properly functioning, the budgeting process should be adequate for the needs of the City.

Capital Budget

The capital budget committee consists of a Senior Controller and five appointed officers including the Commissioner of Finance, City Engineer, City Solicitor, Traffic Commissioner and the Director of Planning.

All departmetns are requested to make their submissions to the Treasury Department by October or November of the previous year. Treasury prepares a provisional capital budget and the capital budget committee prepares its recommendations in the form of a Five Year Capital Program to Board of Control in December. In January, Board of Control reviews these recommendations for submission to Council for final approval in February or early March. Regional and Ontario

Municipal Board approval is later received on specific projects as required.

6. Town of Stoney Creek

The Executive Committee of Council is responsible for presenting draft current and capital budgets to Council. These draft budgets are initially prepared by the appointed officers under the direction of the Administrator and Treasurer. Priority based or cost justification budgeting is used on an organization-wide basis. Under this system all proposed expenditures must be totally supported on detailed back-up data sheets. The process commences in September of the previous year with the adjustment of budgeting guidelines and the establishment of a timetable for the process. Initial departmental estimates are then prepared from October to November, computerized and reviewed with the appointed officers by the Administrator and Treasurer. Reductions are made where supportive data does not justify proposed expenditures. Once the reviews are complete, the appointed officers present their draft budgets individually to the Executive Committee in December after which amended draft budgets are incorporated into a total draft budget by the Treasurer. This budget is presented by the Administrator to the Executive Committee with all Councillors present. An amended budget is then presented to a Committee of-the-Whole meeting and final recommendations are made to Council. Final approval for both current and capital budgets is given by Council in March, or earlier if possible, when regional and educational levies have been added.

Unlike the other smaller municipalities in the Region, the Town of Stoney Creek utilizes a budgeting system whereby

expenditures must be justified in total each year. This provides management with an effective tool for controlling costs and justifying expenditure levels. Stoney Creek also completes the budgeting procedure in March which is well ahead of the other area municipalities with the exception of Hamilton. The system used appears to be well suited to the needs of the Town.

7. Regional Municipality of Hamilton-Wentworth

Generally speaking, budgets are prepared on program basis rather than a "prior year cost plus" basis. Each department reviews the programs it offers, evaluates existing programs and determines when new programs or program deletions can be expected in the forthcoming budget year.

Once the evaluation of programs and services has been completed, the appropriated appointed officers affix a cost to them.

Specific methods of budgeting are not consistent among the various departments within the Region. The reason for this is that the Region is gradually moving over to a "unit cost" system where specific workloads for each activity can be forecast and a unit cost applied to these workloads in order to arrive at budget requirements.

The Social Services Department is presently budgeting on a forecasted workload basis by activity. Program identification has been undertaken in the Police Department and planning activity identification along with time measurements are undertaken with a view to developing resource control for management purposes in the Planning Department. The Regional Roads System operates under a maintenance management program which is probably the most sophisticated method of

budgeting within the Region. The maintenance management system contains detailed time standards and predetermined service levels for most activities within the Regional roads system.

The Region has also introduced a demonstration project, zero-based budgeting which, by their terminology, is called "Priority Choice Budgeting System" and the Region plans on using this system in the Social Services Department and the Police Department in the forthcoming budget year.

As evidenced by the above comments, there are approximately three basic methods of budgeting within the Region. The level of sophistication within each budgeting method is determined by the amount of detail of operating statistics available to each department. The Region ultimately wishes to develop all budgets on some form of a unit cost basis using standards related to predetermined levels of service. Because Regional government is in its infancy in Hamilton-Wentworth at this time, the transition to a total unit cost budgeting system will require a number of years as more detailed information on costs, service level requirements, etc., is obtained from past performance and actual measurement.

Of significance, is the fact that no matter what specific budgeting system is used at the present time, each of the systems used requires a concerted effort by appointed officers to review each activity or program and determine whether such activities and programs are cost justifiable prior to budgeting for them.

Budget preparation begins late in October and early November and final approval by the Regional Council is given in

EXHIBIT 10

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH BUDGET TIMING

Date (nearest month)	Task	Time Alloted (days)	PERFORMED BY:	
			Department or Group	Titles of Individuals Involved
Current				
Oct./Nov.	Draft - Budget Preparation		All Departments	Head of Department and Division Heads
Dec.	Review by Co-ordinator		Co-ordinator	Co-ordinator Department Head Com. of Finance
Jan./Feb.	Review by Spending Com. and fwd. to Committee		Standing (Policy) Com.	Chairman and Councillors
Feb.	Budget Summary Review		Finance Committee	Chairman and Councillors
March	Finalize Total Budget		Regional Council	
Capital				
Oct./Nov.	Draft Capital Forecast		Eng. Dept. Plan. Dept. Finance Dept.	Com. of Eng. Dir. Transp. Services Dir. Envir'l Services Office Manager Com. of Finance Man. Capital Projects Com. of Plan. & Devel. Office Manager Dir. Devel. Div.
Dec./Jan.	Review and Completion		Co-ordinator & Senior Mgt.	Co-ordinator Com. of Finance Com. of Eng. Com. of Plan. Com. of Social Services
Feb.	Review by Spending Com. and referred to Finance Com.		Standing Coms.	Chairman & Councillors
h.	Final Approval		Regional Council	

February. The detail of the budget and timing is shown on the exhibit opposite this page.

Cost Control and Monitoring

1. Town of Ancaster

Each appointed officer is responsible for allocating and scheduling department resources to various work activities. No apparent work standards exist which could be used for scheduling resources based on expected man-hours or elapsed time for specific work activities.

The Coordinator is responsible for evaluating the performance and efficiency of each department and for any contracted services. The Coordinator relies, to a large extent, on feedback from taxpayers to assess the adequacy of municipal services and the performance of individual departments. Cost Control is based largely on the experience of appointed officers. With the absence of specific cost control mechanisms it is likely that some potential for improved cost effectiveness exists in some areas.

Actual costs are monitored by monthly comparisons with budgeted levels. Where significant, excessive expenditures are reported immediately to Council which may approve an over-expenditure or the transfer of reserve funds where unforeseen expenditures are justifiable. It is sometimes necessary to cut the operating budget in one area to offset an over-expenditure in another. There is no systematic means, however, of determining what services can best be cut back with minimum adverse effect.

2. Town of Dundas

Individual department workload and work priorities are determined by council committees together with the appointed officers who meet at least monthly to monitor progress. The committees, in turn, report this information to Council. The appointed officers are responsible for keeping the Committees informed of emergencies, repairs, and other special work performed.

Committees also assume a major role in performance evaluation with field trips frequently being made by elected representatives for this purpose. Appointed officers are responsible to the committees for the effective and efficient operation of their department.

Elected officials play a more direct role in cost control and monitoring than is usually encountered in most municipalities. This undoubtedly requires a significant amount of their time over and above the time normally spent on their regular municipal duties. While we do not question the motivation of elected representatives who give so generously of their time, we do however, believe that cost control and monitoring on a day-to-day basis should be handled by the appointed officers under the direction of the Administrator-Treasurer. This latter person should then be responsible to Council for reporting areas of ineffective cost control and over-expenditure of approved budgets.

Costs are monitored by department heads by a comparison of monthly statements versus budget appropriations. If an over-expenditure occurs on one item, an attempt is made to underspend on some other item by an equivalent amount. Such an approach can lead to

ineffective allocation of resources as some work activities must be arbitrarily cut back due to unforeseen or uncontrolled expenditures in other areas.

3. Township of Flamborough

The Township does not employ any particular method or system to forecast and plan workloads because of the difficulty in predicting unforeseeable circumstances. Resource utilization and planning is based on past experience or on historical data if available. A formal approach to work prioritization does not exist.

There is no formal evaluation method of either departmental or employee performance. Instead, elected representatives perform spot checks of work performed in the field. This method of monitoring is not an effective means of performance evaluation since it provides only limited information which is not necessarily indicative of the adequacy of overall performance. Monthly statements of actual expenditure and revenue are compared with budgeted levels as a means of monitoring costs.

Based on the lack of systematic cost controls, it is reasonable to state that some potential for cost improvement exists, since past performance is not always relevant in predicting current and future needs nor are methods used in the past equally applicable in the future.

4. Township of Glanbrook

Workloads of a foreseeable nature are planned and supervised by appointed officers on the basis of their previous

experience. There are no distinct attempts made to prioritize work activities other than for emergency situations which take precedence over all other work.

All department employees and contractors are responsible to Council for the performance of their work. Council does not use a formal method or system of performance evaluation and, to a certain extent, relies on feedback from local taxpayers regarding the quality and adequacy of work performed. The limitations of this method have been mentioned previously.

The Treasurer's Department is responsible for making all departments aware of their actual expenditures compared to budgeted levels through monthly audits of expenditures and revenue. Deficits do occur at year end in some departments as it is difficult for the Township to keep up-to-date with all of its expenditures under the present system. It is sometimes necessary for Council to authorize a transfer of funds from a surplus budget to a deficit budget.

As was the case with the previous municipalities discussed, there is room for improved cost control and resource utilization through the implementation of formal cost control systems.

5. City of Hamilton

Each appointed officer is responsible for planning the operations of the department and scheduling the workload. This is largely done on an informal basis with some exceptions where workloads can be accurately estimated and scheduled in advance - e.g. preventive maintenance programs in Transportation Services, (the City operates a municipal maintenance management system), the road reconstruction program and the scheduling of recreation programs.

Where necessary, appointed officers receive the approval of Board of Control or their respective committee of council before establishing the order of priorities within the department.

Departmental performance is measured by elected representatives on the basis of how its actual costs compare with budgeted appropriations and the degree to which scheduled work is completed to the satisfaction of those concerned. There are no units of measurement for this purpose with the exception of the municipal maintenance management system in the Streets and Sanitation Department.

Expenditures are monitored on a bi-weekly basis by the appointed officers using statements showing by object of expense for each activity, the approved appropriation expenditure to date, commitments to date, total expended and committed, and the unencumbered balance. If a department has exceed or it appears that it will exceed any appropriation, Board of Control and City Council approval is required for the necessary additional funds. This system provides the means for effective cost control provided that the original budgeted levels are, in fact, appropriate and justifiable. (The new zero-base budgeting system should provide the means to ensure that this latter point is true.)

6. Town of Stoney Creek

Appointed officers determine their foreseeable workload and staffing arrangements based on previous experience. Work priorities are determined by Council together with the senior administrative staff and are largely based on judgement and perceived need within the community. It is the opinion of some of the administrative staff that

if work performance and quality standards could be set in areas such as road maintenance and snow removal, that certain costs could be reduced.

Appointed officers in all departments appear to be very conscious of efficiency levels. In order to ensure high productivity levels, the Town operates with what it considers to be minimum staff levels, thereby imposing constraints on the amount of time available for each task. Garbage collection and disposal is the Town's only contracted service and is monitored on the basis of the number of complaints received by the Engineering Department.

General Ledger Trial Balance reports are produced on the fifth working day after each month end. These are used to compare actual versus budgeted expenditures. Each variance is reviewed by the appropriate appointed officer, the Budget Coordinator, and the Treasurer or Administrator. The Budget Coordinator is also responsible for the continual monitoring of expenditure levels and reviews all purchase requisitions to ensure that the proposed expenditures will not exceed budgeted appropriations. If such is not the case the Administrator or Treasurer is notified. Council approval is required for any budget adjustments. Council operates on the principle that the total budget for the year cannot be exceeded.

The review of all department purchases before they are made is an effective means of controlling costs and avoiding budget overruns. Monitoring procedures in general appear to be adequate, but could be made more effective by the use of performance measurement standards.

7. Regional Municipality of Hamilton-Wentworth

Throughout the budget year, management is provided with detailed reports showing amounts budgeted and amounts spent on a twice monthly basis. In addition, all spending committees and the Finance Committee are provided with monthly reports showing in summary, a comparison between budget and actual. One of the shortfalls in the summary report is that it shows a budgeted figure, a year-to-date expenditure and a percentage of the budget used. In our review of the budget summary form, we noted that, after say, 10 months, the "percentage used" figure was very high in certain cases and very low in others, and was not proportionate to the number of elapsed months of the fiscal year. As outsiders, we were unable to determine whether the budget was being managed effectively or not. To fully understand the summary, one must get more detail. The Region told us that this method of reporting was to develop a questioning attitude among the Councillors and senior management. Specifically, when after, say, 6 months, an individual department has used up 85% of its budget, the natural reaction would be to find out firstly why so much of the funds had been used, and secondly, whether there are sufficient funds available to continue for the balance of the fiscal year. While this appeared to be a practical explanation for the method of summarizing the budget, we believe that the self-imposed questioning attitude could create certain inefficiencies in management. Of primary concern is the fact that management may be required to respond to a number of queries concerning what, on the surface, appeared to be abnormal numbers, when in fact the year to date spending is completely in line with the forecast.

Actual expenditures are never adjusted in cases where they differ from the budgeted level and over-expenditures within functions are financed by appropriation transfers within those functions. This is carried out after consultation between the appointed officer involved and the Commissioner of Finance and can only be authorized by the Regional Coordinator. Any inter-functional transfers within a specific spending committee requires the approval of that committee and no cross-funding from one group of taxpayers to another is permitted (water accounts going to general levy accounts, etc.).

The general contingency fund is administered by the Finance Committee and transfers from this are kept to a minimum.

PERSONNEL POLICIES AND ADMINISTRATION

Sound personnel policies and procedures are crucial to the effective functioning of any organization. Paradoxically, many organizations have never created a set of personnel policies. There are, however, very compelling reasons why every organization should do so. These include the following:

- established policies ensure consistent and equitable treatment of all employees. Thus, favouritism and discrimination are minimized.
- policies can serve as a standard of performance.
- sound policies can help to build employee morale and loyalty. This is especially true when policies reflect established principles of "fair play".
- continuity of action is assured even though senior management may change.

It is important that personnel policies be written, and just as important that they be communicated throughout the organization. Written policies are not meant to tie the hands of management to the extent that it cannot use discretion and flexibility in handling particular cases. They are designed to aid the day-to-day operations of the organization. Written policies let everyone know what kind of treatment they can expect to receive from management. The most common way of informing employees about personnel policies is by means of an employee handbook.

Another vital component of good personal management (including wage and salary administration) is the preparation and intelligent use of job descriptions. The data job descriptions can be

adapted to help establish clear cut standards of performance for every position. Although they may contain some quantitative information, standards of performance set are normally qualitative. In evaluating the performance of each employee the supervisor can compare the actual contribution against the written standards.

The general state of personnel administration within the Regional government and the municipalities within the Region varies considerably. Our study showed that the Town of Stoney Creek is more organized than any of the other areas in good personnel management. The Town of Ancaster has a standard performance appraisal system that was established in 1967 by an outside consultant. While the system is satisfactory, it could be expanded to include operating and policy manuals, etc.

The City of Hamilton has several systems that vary from function to function. Each major function seems to have established their own system of performance appraisal, for instance, Recreation using one system, Fire using another system, etc. There is no organization-wide system for individual employee performance appraisal as each department is left to its own devices. In addition, the measurement criteria and degree of application varies in each system, however, the systems presently in use appear to be reasonably effective, although not consistent with one another. However, due to the lack of a standard employee performance appraisal system, employee standards and output performance can vary considerably from department to department. This makes it difficult for departments to evaluate staff when they are transferred from other departments. It is also difficult to make employee assessments on an absolute basis.

The City of Hamilton had an organization study carried out for them early in 1977. We were not able, however, to evaluate the scope of the study, nor were we able to clearly indentify to what extent recommendations were implemented.

Dundas, Flamborough and Glanbrook have virtually no standard or universally applied systems in the area of personnel administration. It is our understanding that the Town of Dundas, on its own, carried out an organization study of administration within the municipality. It is also our understanding that this study did not include the role of elected representatives within the municipality. Since elected representatives are ultimately accountable to the people for the management of the municipality, we believe that any organization study of a municipality without the inclusion of elected representatives would be incomplete. In addition we found little or no evidence of the existence of proper job descriptions in that municipality which, in our opinion, forms a very important part of any organization study.

All municipalities, with the exception of Flamborough and Glanbrook, have made some attempt at establishing appropriate personnel management systems. We saw no evidence in Flamborough or Glanbrook of job descriptions and documentation of policies and procedures in the form of manuals.

The personnel management function of the Region has to some extent assumed a "fire-fighting" role. Since its inception, the Regional municipality has been required to assume personnel management responsibilities of some 2,200 employees. The present state of the

personnel management systems in the Region is such that we would have to conclude that the function is in a state of early development. This has not been caused by the lack of recognition for need of appropriate systems, nor has it been caused by unwillingness to develop systems. On the contrary, we found that the appointed officers fully recognize the importance of proper personnel management and are taking positive steps in that direction. Current plans call for improving their capability in performance appraisal techniques by working with Mohawk College in the training of key people in that area. The rate at which more appropriate personnel management systems can be developed and implemented is limited at this time by a combination of limited resources within the personnel department and limited funds allocated to training.

We were told that labour-management relations have improved significantly over the last two or three years. The two largest negotiators, the Regional Municipality of Hamilton-Wentworth and the City of Hamilton deal with a large number of bargaining units annually. While the Region claimed a certain amount of credit for improving labour-management relations, particularly since the garbage strike in Hamilton, we believe that improved relations have resulted more from current economic conditions and a general trend to improved relations in the public sector as a whole. Other factors, of course, are the presence of the Anti-Inflation Board and what we believe to be a recognition by public sector employees that wages and benefits in general compare favourably to the private sector.

Our impression from study results leads us to conclude that personnel administration is probably one of the least developed functions within the Region and the area municipalities. The Town of Stoney Creek was rated highest by us in the development of appropriate personnel administration policies, while Ancaster and the City of Hamilton have reasonably well developed systems and the other communities are either working towards developing appropriate personnel administration functions or do not appear to recognize this as a requirement for effective management.

INTER-MUNICIPAL COMMUNICATION AND
USE OF COMMON ADMINISTRATIVE SERVICES

Inter-Municipal Communication

Communication at the most senior administrative level among area municipalities within the Region occurs on an occasional basis. Only in rare instances do appointed officers see a need to communicate more frequently with their counterparts in neighbouring municipalities in the Region. Appointed officers generally expressed satisfaction with the results of such communications. The area municipalities rarely communicate with other municipalities outside the Hamilton-Wentworth Region.

Communications between the area municipalities and the Regional Municipality of Hamilton-Wentworth vary from weekly to occasionally based on need. The Regional Coordinator communicates with the Mayors and senior appointed officers of the other municipalities within the Region on a weekly basis. The Coordinator also occasionally communicates with the senior administrators of other Ontario regional governments and major North American centres, as well as senior officials of the Ontario Ministries of Treasury, Economics and Intergovernmental Affairs, Transportation and Communications and Environment.

The majority of communications among municipalities in the Region are related to specific technical problems, the processing of requests and the coordination of services rather than the exploration of new areas of cooperation. In addition to these routine communications,

senior appointed officers from the six area municipalities and the Region meet every two to three months to consider items of common concern that would not normally be discussed during regular contacts among municipalities. The two major areas of discussion relate to the coordination or common use of municipal services and the sharing of technical experience and expertise among municipalities. Examples of items considered by this group include the coordination of insurance needs and joint purchasing. It is our impression that only marginal gains have been made through the use of common services and that senior administrators have not been able to identify major areas of duplication of services.

Use of Common Administrative Services

Included in this section is a description of the extent to which common administrative services are presently used within the Region. Our findings are presented separately by type of service and include the identification of any areas where potential improvement exists through the increased consolidation or implementation of services.

Clerks Department Functions

Each of the area municipalities and the Region maintains its own Clerk's Department. The duties and responsibilities of the municipal Clerk as defined in the Municipal Act(1) are primarily related to the maintenance of Council records and local bylaws. In some municipalities, the Clerk also is responsible for various office and administrative functions such as printing, mail services, records retention, switchboard and property maintenance.

(1) The Municipal Act, Government of Ontario, Section 215(1)(a-f).

With the possible exception of printing services, the functions performed by the various Clerks Departments are specific to their municipalities and are best situated locally for prompt and efficient service. Consequently, we see little potential for consolidating services in this area. With respect to printing, the City of Hamilton operates an automated print shop which may be useful to the other smaller municipalities as an alternative to contracting certain major jobs outside. In terms of overall cost impact on administrative services the potential savings does not, however, appear to be too significant.

Computer Services

The City of Hamilton operates a computer which is used for a large number of functions including accounting, billing, payroll, personnel files and various management information systems. The City rents out computer services to the Region in many of these same areas although the systems used are not necessarily common with those of the City. Dissatisfaction was expressed by several Region departments over the level of service provided by the City's computer department.

Of the smaller municipalities, three of these - Dundas, Stoney Creek and the Flamborough, each operate their own minicomputer, while the two remaining municipalities - Ancaster and Glanbrook, restrict their operations to manual methods because of their smaller size (with the exception of tax bills which are prepared for all five municipalities by a computer service bureau). The principal activities for which the three smaller municipalities use their minicomputer,

include payroll and general ledger accounts (in all three municipalities), accounts payable, accounts receivable, the preparation of tax rolls or cards and various recordkeeping and other accounting applications (in two municipalities).

In the past, the various municipalities (and the Region in some cases) have designed their own individual systems, without any Region-wide coordination or co-development. As a result, we see a number of areas where computer systems could be standardized for uses that are common to some or all municipalities. The major areas of potential include payroll, general accounting, revenue billing, the preparation of voters lists and tax rolls and inventory control systems.

The above possibilities become more attractive when it is considered that, with today's computer technology, computer terminals located in the smaller municipalities could be connected to a central computer to facilitate fast, localized service. In addition, given the existence of such common systems, it may be feasible for Ancaster and Glanbrook to take advantage of these services.

Clearly, a detailed study would be required to identify potential for common computer systems in the Hamilton-Wentworth Region, to determine potential applications, systems design and the benefits which could be derived through such systems. As part of any such study, a complete assessment should be made of the computer operation of the City of Hamilton.

Legal Services

The City of Hamilton and the Hamilton-Wentworth Region operate separate legal departments with each having its own staff and

operating methods. The City's legal staff includes seven solicitors while there are two Regional solicitors. The difference in staffing appears to be due to additional work performed by the City in the areas of urban renewal programs, major land assembly projects and the preparation of minimum standard bylaws. The Region also contracts out some \$20,000 of legal services annually. A third reason for the difference is that the City of Hamilton solicitors play a more major role in drafting bylaws than do their Regional counterparts, as appointed officers assume more of this duty at the Region.

None of the five smaller municipalities has a full-time solicitor on staff. Legal services are contracted from the outside on an as-needed basis.

There does not appear to be any significant duplication or overlapping of legal services throughout the Region and in particular between the Region and the City of Hamilton. There may be some potential for amalgamating the legal services of the smaller municipalities and creating one or two full-time solicitors for handling this work. However, the limited cost benefits which might result would be offset by problems of establishing service priorities, excessive travel and perhaps a lesser degree of sensitivity to local needs under such a system. As a result, we do not see any significant potential for consolidating legal services within the Region.

Personnel Services

Each municipality is responsible for providing its own personnel services. Personnel services are not shared between

municipalities with the exception of the use of the City's computer by the Region to maintain personnel records. We observed no evidence of duplication of personnel services as each municipality deals only with its own employees.

However, based on our findings, we see some possibility for potential cost savings through the amalgamation of the City of Hamilton's Personnel Department (10 staff) with their Regional counterpart (6 staff). The basis for this savings would be a reduction in staff through by the increased specialization of labour in the Director of Personnel, labour relations, wage and salary administration and safety functions. This might also provide a basis for a common labour negotiation team for all municipalities supported by local personnel representatives. Whether the disadvantages of such a scheme (loss of individual autonomy and control) would outweigh the advantages (cost savings and standardized policies) is a matter which could be reserved for a detailed study in this area.

Purchasing and Stores

At present, the City of Hamilton Purchasing Department handles the bulk of the Region's purchasing and stores functions (with the exception of materials and supplies for Homes-for-the-Aged, Day Care Centres and office supplies which are handled by one Regional Purchasing Coordinator). Therefore, duplication of services is not a problem between the City and the Region.

The City does not, however, do any significant amount of purchasing for the other area municipalities in the Region. These municipalities use their own staff for their purchasing needs. The City

has made an offer to the smaller municipalities to provide Region-wide purchasing services in order to save administrative costs and establish lower prices and better products and services to these municipalities. As of this date the smaller municipalities have not availed themselves of this offer due to the following reasons:

- they believe that the administrative costs would actually rise due to the cost of administrative overhead at the City of Hamilton.
- it is more costly for them to travel into Hamilton to draw materials from City stores than to have these delivered locally by their own suppliers.
- they believe that local suppliers are more sensitive to their needs and would provide better service than the City's suppliers.
- there have not been any demonstrated cost savings of a significant degree through joint purchasing.

Sufficient data was not available to determine the precise impact of consolidating purchasing services on a Region-wide basis. We do believe however, there is sufficient potential in this area to warrant further study.

Real Estate

The Real Estate Department of the City of Hamilton provides the Region with its real estate services and needs. This eliminates the need for two real estate departments with separate resources and files and the potential for duplication of services. Of equal importance, this eliminates any possibility of two different municipal real estate departments paying different prices for similar properties and of possibly contributing to higher inflationary rates for the cost of land.

Based on the current arrangements, we do not see any significant potential for further consolidation of real estate services. No inadequacies in the present level of quality of service provided for the Region were revealed.

Planning

The Regional Planning Department is responsible for business development, regional planning and local planning for the City of Hamilton and the Town of Dundas Planning for the City of Hamilton and the Town of Dundas is carried out on a fee for service basis. In addition to the Planning budget, the Region subsidizes the Tourism and Convention Office in the City of Hamilton to the amount of \$140,000 per annum. This office looks after promotion of tourism and conventions and operates Visitors Booths throughout the Region, and in that respect is tied into Planning as part of the business development function.

While our study did not allow us to go into any great detail on the operations of the Tourism and Convention Office in the City, it would appear on the surface that certain efficiencies could be realized if the Tourism and Convention Office in the City came under direct control of the Planning Department, rather than duplicating administration of this office.

While the Regional Planning function carries out planning services for the City of Hamilton and the Town of Dundas, it operates strictly as a sub-contractor and carries out local planning under the direction of Hamilton and Dundas. The Township of Flamborough and the Town of Stoney Creek have their own municipal planners on staff.

Conceptually, the Regional Planning function can operate separately from local planning functions, while, at the same time, both Regional Planning and local planning can operate somewhat effectively. In reality, however, Regional Planning functions where they effect local autonomy of the local municipality can create a number of inefficiencies and a complete slow down in the decision-making process. This is further aggravated by the Provincial influence in the process of planning approvals. A typical example in the Region of Hamilton-Wentworth would be the location of a Sanitary Landfill Site. While all area municipalities might agree that a single Landfill Site is more desirable both from a cost effective point of view and from an environmental point of view, the most desirable location for that landfill site inevitably becomes a subject of hot debate among the area municipalities and the Region.

The present structure of planning within the Regional community is therefore not the most desirable and definitely not the most effective from a management point of view. It not only leads to a vastly decelerated decision-making process, but incurs additional costs which have to be borne by the population at large. Some of these costs are incurred by duplication of planning functions (Stoney Creek and Flamborough having their own Planning Departments) when they could be using Regional planning sources (as other municipalities do) instead of hiring Planning Consultants who, on occasion, may not comprehend the benefits of a total Regional plan.

We evidenced problems in the Planning function during our management study and while we do not claim to have the solution to these

problems, we believe that economies could be realized by centralizing the overall Planning function. In that respect, a central planning function could attract a higher calibre of planning staff that could service the needs of the area municipalities more effectively. Such a statement refers to the overall planning function rather than the individuals employed by the Regional Planning Department. On that basis we would recommend that should consideration be given to centralized planning, an assessment of the capabilities of the Regional planners should be included in any research on the feasibility of taking this route.

APPENDIX A

LIST OF PERSONS CONTACTED

LIST OF PERSONS CONTACTED

<u>Municipality</u>	<u>Name</u>	<u>Position</u>	<u>Interview</u>	<u>Questionnaire</u>	
				<u>Requested</u>	<u>Completed</u>
Regional Municipality of Hamilton- Wentworth	C.T.C. Armstrong	Regional Co-ordinator	x	x	x
	W.M. Carson	Commissioner of Social Services	x	x	x
	L.R. Flemming	Personnel Director	x	x	x
	Mrs.J.M. Gallipeau	Clerk		x	x
	E.H.H. Kubisch	Administrator Wentworth Lodge		x	x
	D. Lychak	Commissioner of Planning	x	x	x
	J. McAully	Commissioner of Finance	x	x	x
	R. Plant	Regional Solicitor	x	x	x
	W. Wheten	Commissioner of Engineering	x	x	x
	W.A. Wingrove	Administrator Macassa Lodge		x	x
Town of Ancaster	L.V. Hayden	Clerk	x	x	x
	A.S. Jones	Fire Chief		x	x
	P. Kelly	Recreation Director		x	x
	R. Lester	Works Super- intendent		x	x
	R.G. Morrow	Co-ordinator- Engineer	x	x	x
	L. White	Treasurer		x	x

<u>Municipality</u>	<u>Name</u>	<u>Position</u>	<u>Interview</u>	<u>Questionnaire</u>	
				<u>Requested</u>	<u>Completed</u>
Town of Dundas	K.F. Cave	Engineering Technician		x	x
	G.A. Corner	Administrator-Treasurer	x	x	x
	J.D. Francis	Fire Chief		x	x (1)
	J.C. Kivell	Parks Manager and Cemetery Superintendent		x	x
	L.J. Mikulich	Clerk		x	x
	A.R. Taylor	General Works Superintendent		x	x
	F.C. Westoby	Director of Recreation		x	x
Township of Flamborough	Dr. S. Drotos	Director of Planning and Development		x	x
	H.F. Edwards	Planning Co-ordinator		x	x
	J. Lane	Roads Superintendent		x	x
	J.R. McColl	Deputy Clerk		x	x
	J.A. Smith	Administrator-Clerk	x	x	x
	R.G. Stewart	Treasurer and Tax Collector		x	x

(1) Completed by B.L. Hill, Deputy Fire Chief in the Fire Chief's absence

<u>Municipality</u>	<u>Name</u>	<u>Position</u>	<u>Interview</u>	<u>Questionnaire</u>	
				<u>Requested</u>	<u>Completed</u>
Township of Glanbrook	C. Fama	Recreation Director		x	x
	W.R. Quinn	Roads Super- intendent		x	x
	D. Dickenson	Treasurer	x	x	x
	C. Switzer	Clerk and Deputy Treasurer	x	x	x
City of Hamilton	T. Bradley	Acting Purchasing Director	x	x	x
	R.J. Desjardins	Traffic Commissioner	x	x	x
	A.F. Gillespie	Personnel Director	x	x	x
	R. Kuppe	Building Commissioner	x	x	x
	W.H. McFarland	Treasurer and Commissioner of Finance	x	x	x
	W.L. Phillips	Commissioner of Engineering and Co-ordinator	x	x	x
	K.A. Rouff	City Solicitor	x	x	x
	L.G. Saltmarsh	Fire Chief	x	x	x
	A. Schimmel	Director of Recreation	x	x	x
	E.A. Simpson	Clerk	x	x	x
	J.E. Waters	Director of Parks	x	x	x
	D. Vice	Acting Director of Real Estate	x	x	x

<u>Municipality</u>	<u>Name</u>	<u>Position</u>	<u>Interview</u>	<u>Questionnaire</u>	
				<u>Requested</u>	<u>Completed</u>
Town of Stoney Creek	J.A. Brezina	Clerk		x	x
	A. Gretzinger	Town Engineer		x	x
	S. Hill	Director of Recreation and Parks		x	x
	B. Hirst	Fire Chief		x	x
	R. Marini	Director of Planning		x	x
	M.A. Nobes	Personnel Director and Co-ordinator of Development		x	x
	W.E. Shipton	Treasurer	x	x	x
	R.G. Waters	Administrator	x	x	x



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